## Climate Pollution Reduction Grants Program: Implementation Grants General Competition Notice of Funding Opportunity (NOFO) EPA-R-OAR-CPRGI-23-07

Questions and Answers as of January 25, 2024

The U.S. Environmental Protection Agency (EPA) is accepting applications for funding under the Climate Pollution Reduction Grants Program: Implementation Grants General Competition (EPA-R-OAR-CPRGI-23-07) until **April 1, 2024 at 11:59 p.m. (ET)**.

The NOFO and all application forms are available at <a href="https://www.epa.gov/inflation-reduction-act/cprg-implementation-grants">https://www.epa.gov/inflation-reduction-act/cprg-implementation-grants</a>. EPA hosted informational webinars on September 21, 2023, and October 3, 2023. Recordings and material from those webinars can be found <a href="https://www.epa.gov/inflation-reduction-act/cprg-implementation-grants">https://www.epa.gov/inflation-reduction-act/cprg-implementation-grants</a>. EPA hosted informational webinars on September 21, 2023, and October 3, 2023. Recordings and material from those webinars can be found <a href="https://www.epa.gov/inflation-reduction-act/cprg-implementation-grants">https://www.epa.gov/inflation-reduction-act/cprg-implementation-grants</a>.

This document contains responses to questions raised in EPA's informational webinar and to questions submitted to the CPRG email inbox. EPA plans to update this document regularly with additional incoming questions regarding the CPRG Implementation Grants General Competition. (Note that responses to questions about the CPRG Implementation Grants Tribes and Territories Competition (EPAR-OAR-CPRGT-23-09) are located in a separate document available <a href="https://example.com/here">here</a>).

Please review all questions and answers in this document. Questions marked **NEW** or **UPDATED** have been added or revised since the last posting of this document. If you have any additional questions, please email <u>CPRG@epa.gov</u> by **March 15, 2024** in order for EPA to provide a response prior to the competition application closing date of April 1, 2024.

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Q23: Can you expand upon your expectations for quantifying GHG emissions reductions? What level of detail is required? Is an estimate of percent reduction in general sufficient? ADDED December 21, 2023
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NEW Q28: If limited or incomplete data is used in the PCAP, could that potentially weaken an implementation grant application? If an applicant makes a good faith effort to calculate emissions, reductions, and benefits to the best of their ability – but those calculations are limited/incomplete due to the data – will their implementation grant application score be reduced? ADDED January 25, 2024.
NEW Q29: The CPRG Implementation Grant NOFO outlines that emission reductions must be scaled based on the percentage of measure cost covered by CPRG. Does this apply to incentive programs or rebates that, by definition, do not cover all of the eventual project costs, or just for specific projects or programs that also receive an already known percentage of other federal funds? ADDED January 25, 2024.
NEW Q30: Will EPA accept approvals and dates for "pre-award authority" from other agencies (such as FTA for the procurement of vehicles)? What would we need to do to get approval from EPA on pre-award expenses that are greater than 90 days prior to the award? ADDED January 25, 202450
NEW Q31: Would the projects that receive a grant award under CPRG be required to undergo environmental review via the National Environmental Policy Act (NEPA)? If so, what federal authorities does EPA have, if any, to help navigate or avoid NEPA and the time constraints associated with it?  ADDED January 25, 2024
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NEW Q39: Looking at the LIDAC guidelines on page 11-12 of the NOFO, both the EJScreen and the CEJST tools are very narrow in their definition of LIDAC communities due to the use of heterogeneous census blocks that do not reach the community scale. In our case, severely disadvantaged, historically burdened, and minority communities fall outside the geographic boundaries established by both tools. How can this be best addressed in our application given EPA will not accept state-specific definitions? ADDED January 25, 2024.
NEW Q40: If multiple states decided to go in on an application together, how would the quantification of GHG reductions need to be done for the application? Would each state do their own calculation (which may include modeling) and just combine the results? If that's the case, does each state have to use the same approach, tool or modeling program for that? OR, would the lead applicant do quantification for the entire coalition? ADDED January 25, 2024.

### I. Application Process and Timeline

Q1: What is the application deadline for the CPRG implementation grants general competition?

A1: Applications for the implementation grants general competition (EPA-R-OAR-CPRGI-23-07) are due on April 1, 2024.

Q2: What is the difference between the two notices of funding opportunity for CPRG implementation grants: the general competition and the competition for Tribes and territories?

A2: Generally speaking, eligible applicants for the general competition (EPA-R-OAR-CPRGI-23-07) are states, municipalities, Tribes, Tribal consortia, territories, and groups thereof, whereas eligible applicants for the Tribal and territories competition (EPA-R-OAR-CPRGT-23-09) are limited to Tribes, Tribal consortia, territories and groups thereof. Other important differences between these two competitions, such as funding amounts, evaluation criteria, and application deadlines, are described in detail in the Notices of Funding Opportunity (NOFOs) for these two competitions, both available at: <a href="https://www.epa.gov/inflation-reduction-act/cprg-implementation-grants">https://www.epa.gov/inflation-reduction-act/cprg-implementation-grants</a>.

Q3: Can eligible applicants from Tribes and territories apply for grants under both the general competition NOFO and the Tribes and territories NOFO?

A3: Yes. A Tribe or territory may submit applications in both the general competition and the Tribes and territories competition. Furthermore, a Tribe or territory may submit applications to implement the same measure under both competitions. Applicants must apply separately to each competition, and they must submit applications that meet the specific requirements of each competition, which are not the same. One application will not automatically serve for both programs.

In the event that both applications score well enough to be selected under the two separate competitions, EPA would only make one grant award to the applicant.

Q4: How do the implementation grants relate to the CPRG planning grants?

A4: As explained in Section I.A of the General Competition NOFO (page 5), the 2022 Inflation Reduction Act (IRA) established the CPRG program, which provides funds in two distinct but related phases:

- 1. Planning grants: \$250 million for states, U.S. territories, municipalities, air pollution control agencies, Tribes, and groups thereof to develop plans to reduce greenhouse gases (GHGs). The Priority Climate Action Plan (PCAP) is the first deliverable due under the CPRG planning grants.
- Implementation grants: \$4.6 billion for competitive grants to eligible applicants to implement GHG reduction programs, policies, projects, and measures (collectively referred to as "GHG reduction measures," or "measures") identified in a PCAP developed under a CPRG planning grant.

Lead organizations for CPRG planning grants must submit their PCAPs to EPA by the deadline of March 1, 2024 in order for lead organizations and other eligible applicants to submit grant applications for the general competition to fund measures contained in those plans. For a list of the lead organizations for planning grants, see https://www.epa.gov/inflation-reduction-act/cprg-planning-grant-information

Q5: Do I have to submit a Notice of Intent (NOI) to Apply? What information is required for submitting a Notice of Intent to Apply? Will EPA provide any feedback in response to a NOI?

A5: To allow for efficient management of the competitive process, EPA requests submittal of an informal *Notice of Intent (NOI) to Apply* by February 1, 2024, to <a href="mailto:CPRG@epa.gov">CPRG@epa.gov</a>. As described on page 1 of the NOFO, please include in the body of the email the dollar amount of the anticipated funding request and one to two sentences about the scope and sector(s) of the greenhouse gas (GHG) reduction measures likely to be included in the potential implementation grant application. Additionally, if intending to apply as the lead applicant representing a coalition, please list all anticipated coalition members.

Submission of an NOI is optional and non-binding; it is a process management tool that will allow EPA to better anticipate the resources required for efficient evaluation of submitted applications. EPA will not be able to provide feedback in response to an NOI.

Q6: Will a list of organizations that have submitted NOIs be released?

A6: EPA does not anticipate publishing a list of organizations that submit NOI's.

Q7: How many applications can I submit?

A7: As described on page 21 of the NOFO, each eligible applicant is limited to submitting two grant applications: one as an individual applicant and one as the lead applicant for a coalition. Applicants may participate in more than one coalition but may only serve as lead applicant for one coalition.

Q8: What is the timeframe for the grants? How much time will a grantee have to complete the projects?

A8: The estimated period of performance for awards resulting from this solicitation will be up to five years. The estimated project start date for awards is October 1, 2024. See Section II.F of the NOFO.

Q9: When are PCAPs due? Does EPA have to approve the PCAPs?

A9: As explained in Section I.A of the NOFO, PCAPs are due March 1, 2024, for states and Metropolitan Statistical Areas (MSAs) and for any Tribes, Tribal consortia, or territories that plan to apply to the CPRG implementation grants general competition (otherwise, PCAPs are due April 1, 2024, for Tribes, Tribal consortia, and territories).

Lead organizations for CPRG planning grants must submit their PCAPs to EPA by the deadline of March 1, 2024, in order for lead organizations and other eligible applicants to submit grant applications for the general competition to fund measures contained in those plans.

EPA project officers will review submitted deliverables, including PCAPs, to ensure they meet the requirements of the <u>CPRG Planning Grant Program Guidance and the terms and conditions of the planning grants</u>. EPA will not approve or provide feedback on the list of GHG measures included in a PCAP or analyses related to those measures.

Q10: Is it possible to submit my PCAP earlier than the due date to get further guidance on our implementation grants to increase chances of an implementation award?

A10: Due to the competitive nature of the implementation grant phase of the CPRG program, EPA will not be able to provide feedback on PCAPs.

Q11: Where and when will I be able to find the PCAPs? Are there any requirements or expectations that PCAP lead organizations make publicly available their draft plans or some level of information prior to the PCAP deadline?

A11: The CPRG planning grant program guidance specified that when developing a PCAP, lead organizations must coordinate and collaborate with other eligible entities within their jurisdictions and ensure that priority measures are included in the plan that can be implemented by those entities (page 19 of CPRG Planning Grant Program Guidance for States, Municipalities, and Air Pollution Control Agencies; page 13 of CPRG Planning Grant Program Guidance for Federally Recognized Tribes, Tribal Consortia, and U.S. Territories). In all cases, the lead organizations for CPRG planning grants are required to make their PCAPs available to other entities for their use in developing implementation grant applications, and EPA will publicly post all PCAPs received on the CPRG website.

EPA strongly encourages lead organizations to make draft versions of their PCAPs available as early as possible so that entities considering whether to submit an implementation grant application can begin development of their applications well before the April 1, 2024, application deadline. Please see page 7 of the NOFO for more information.

EPA also encourages eligible applicants that are considering applying for a CPRG implementation grant to participate in the PCAP development process and provide input on priority measures to include in the plan, in collaboration with other participants and stakeholders. Section 8.4.3 of the Planning Grants Program Guidance for States, Municipalities, and Air Pollution Control Agencies and Section 7.4.3 of the Planning Grants Program Guidance for Federally Recognized Tribes, Tribal Consortia, and U.S. Territories provides more information on coordination and engagement.

Q12: Can an applicant apply for an implementation project before a PCAP is complete?

A12: As described in the project narrative requirements section of the NOFO (page 29), applicants for the CPRG implementation grants must include applicable PCAP reference(s) with their application including PCAP lead organization, PCAP title, PCAP website link, list of GHG reduction measures, and PCAP page numbers, which will not be available until the PCAP is complete.

Q13: Will this grant require matching funds?

A13: As explained in Section III.B of the NOFO (page 21), no cost sharing, matching funds or leveraged resources are required as a condition of eligibility under this competition.

Q14: Will EPA offer additional rounds of funding, including for measures in the Comprehensive Climate Action Plans? Or is this the only opportunity for CPRG implementation grants?

A14: EPA plans to award all available implementation grant funds (totaling \$4.6 billion through the two competitions that were announced on September 20, 2023) by the end of 2024. EPA anticipates awarding funds for the general competition by October 2024 and funds for the competition for Tribes and territories by December 2024. No additional rounds of CPRG implementation funding are anticipated at this time.

Q15: What tools, resources, and technical assistance will EPA provide for applicants? Will EPA host webinars or trainings on the NOFOs?

A15: Section IV of each NOFO provides important guidance on the information EPA would like to be provided in the grant application; and section V of each NOFO describes the evaluation criteria and

scoring breakdown. EPA has provided example templates for the cover page and budget, and additional guidance in appendix E on calculation methodologies for the GHG reduction measures included in the application.

EPA has compiled publicly available tools and technical resources to assist eligible applicants with climate planning and made them available on EPA's <u>CPRG website</u>. EPA's Office of Grants and Debarment offers training and resources to assist applicants with preparing and submitting grant applications at: <a href="https://www.epa.gov/grants/epa-grants-overview-applicants-and-recipients">https://www.epa.gov/grants/epa-grants-overview-applicants-and-recipients</a>.

EPA held informational webinars about the general competition on September 21st and October 3<sup>rd</sup>. Materials from these webinars are available <u>here</u>. To stay informed about any additional webinars for implementation grant applicants, please visit the CPRG website for updates, and please sign up for the CPRG Newsletter.

Q16: How will EPA responses to questions be documented?

A16: EPA will periodically update this Q&A document with new questions that received through the <a href="mailto:cprg@epa.gov">cprg@epa.gov</a> inbox and during the EPA informational webinars. Updated versions of this document will be posted publicly to the EPA CPRG website: <a href="https://www.epa.gov/inflation-reduction-act/cprg-implementation-grants">https://www.epa.gov/inflation-reduction-act/cprg-implementation-grants</a>.

Q17: Should this NOFO inform what I put in my PCAP? ADDED October 23, 2023.

A17: As explained on page 7 of the NOFO, applications for CPRG implementation grants under the general competition must seek funding to implement measures that are included in a PCAP developed with funding from a CPRG planning grant. EPA has published the competition details well in advance of the application deadline so that entities considering whether to submit an implementation grant application will be able to take elements of the implementation evaluation criteria into consideration when developing their PCAP. EPA encourages eligible applicants that are considering applying for a CPRG implementation grant to participate in the PCAP development process and provide input on priority measures to include in the plan, in collaboration with other participants and stakeholders.

Q18: Will EPA extend the deadline for either the PCAP or the implementation grant application, or both? ADDED October 23, 2023.

A18: EPA does not intend to alter the deadlines of the planning grant requirements, including the PCAP, or the implementation grant application deadline.

Q19: How should we determine the scope of measures to include in our application? ADDED October 23, 2023.

A19: An eligible applicant, including lead organizations for CPRG planning grants, may apply for implementation funding for one, some, or all of the GHG measures included in an applicable PCAP that could be implemented by that applicant (not all measures in a PCAP may be appropriate for implementation by all eligible applicants). Eligible applicants should review Sections IV and V of the NOFO to determine what information and what level of specificity to include in an application. An eligible applicant that is not the lead organization for a planning grant should coordinate and communicate with the lead organization for the planning grant so that the PCAP includes priority measures that the eligible applicant may implement.

Q20: How do I know who to contact at a lead organization to get involved? ADDED December 21, 2023.

A20: EPA has compiled a list of lead organizations and their available contact information at: <a href="https://www.epa.gov/system/files/documents/2023-12/cprg-planning-grant-contact-information-for-states-msas-and-tribes-and-territories.pdf">https://www.epa.gov/system/files/documents/2023-12/cprg-planning-grant-contact-information-for-states-msas-and-tribes-and-territories.pdf</a>. This is a running contact list that will continue to be updated as grantees share their information. The spreadsheet includes information on location (state, MSA, tribe, or territory), lead organization name and contact info, and related website and/or newsletter (if available).

Q21: Should an eligible applicant that did not receive a planning grant apply directly to the Agency for an implementation grant? Do they need to get approval from the lead organization for the PCAP that contains the measures the eligible applicant is seeking funding for? ADDED December 21, 2023 and UPDATED January 8, 2024.

A21: All eligible applicants interested in this funding opportunity should apply directly using Grants.gov. Detailed instructions regarding application submission can be found in Section IV of the NOFO. Eligible applicants applying for funding to implement measures contained in an applicable PCAP developed by another organization (the lead organization) do not need express approval from the lead organization to apply. However, EPA recommends that an eligible applicant that did not receive a planning grant coordinate with the lead organization developing the applicable PCAP to develop priority measures that can be implemented by the entity and to avoid multiple grant applications to implement the same measure in the same location.

Q22: Does the EPA have preferred filenames for material submitted by applicants? ADDED December 21, 2023.

A22: The EPA has provided recommendations on filenames for relevant material submitted as part of an implementation grant application. Use of these file name conventions by applicants will help EPA manage an efficient application review process. See Appendix D of the NOFO (pages 68-70) for more information and details on preferred filenames.

Q23: What are the new Memorandum of Agreement (MOA) expectations for coalitions in the revised NOFO published on December 12, 2023? <u>ADDED December 21, 2023</u>.

A23: In the December 12, 2023 revision of the implementation grants general competition NOFO, EPA modified the requirements for applications from coalitions. A MOA signed by the lead applicant and all coalition members is no longer due at the time of application. Rather, coalition applications are now expected to include a letter of intent from each coalition member. The letter of intent from a coalition member should state the member's intent to sign an MOA for the project. A signed MOA is required before any coalition application can receive an award. EPA strongly recommends that coalition lead applicants submit signed MOAs to EPA by July 1, 2024, to <a href="mailto:CPRG@epa.gov">CPRG@epa.gov</a>. Failure to provide the EPA with a timely MOA will impact EPA's ability to award the grant. More information on the new MOA guidelines for coalitions can be found in Appendix E of the NOFO.

**NEW** Q24: What if a planning grantee has not submitted their PCAP by the PCAP due date? Will that impact our eligibility to submit an implementation grant application? **ADDED January 25, 2024.** 

A24: The PCAP is a precursor to the implementation grants and each implementation grant application must reference an applicable PCAP. As such, applications submitted by the April 1, 2024 deadline that do not reference an applicable PCAP will be ineligible. Applications will not otherwise be evaluated on the timeliness of when the PCAP was submitted. In all cases, the lead organization for a state or metropolitan area PCAP funded through the CPRG program must make their PCAPs available to other entities for their use in developing implementation grant applications. EPA strongly encourages lead organizations for planning grants to make draft versions of their PCAPs publicly available as early as possible. EPA recognizes that there may be some minor delays in grantees finalizing their a PCAP. For instance, a planning grantee may have a substantively complete PCAP by March 1 but is still awaiting final internal approval. Planning grantees that anticipate missing the March 1, 2024 deadline for submitting the PCAP should discuss with their EPA Project Officer their justification and plans for timely disseminating their PCAP to other eligible applicants in their jurisdiction. EPA plans to post submitted PCAPs on the CPRG website upon receipt.

NEW Q25: Does the same measure need to be included in each coalition member's PCAP or just in the lead applicant's PCAP? How should entities ensure that the measures in their PCAPs are similar enough to qualify for a coalition grant application? ADDED January 25, 2024.

A25: Measures included in a coalition application must be included in the applicable PCAP for each coalition member. Having the measure in only the lead applicant's PCAP is not sufficient. EPA encourages applicants to coordinate ahead of the PCAP due date of March 1, 2024 to ensure consistency across PCAPs. While the PCAP does not necessarily need to quantify specific GHG reductions by location, it should describe the GHG reduction measures with enough detail that implementation grant applicants can provide an estimation of future GHG reductions associated with the measure.

NEW Q26: Let's assume a particular state is developing a PCAP and an MSA in the state is also developing a PCAP. If a state plan includes a measure, does that measure need to be included in the MSA plan? Will this impact who can apply for implementation grant funds? If the state wants to include the same measure that is included in the MSA plan so that both PCAPs have the same measure, do the state and MSA need to use the same GHG reduction quantification method? ADDED January 25, 2024.

A26: A municipal eligible applicant may apply for implementation funding for GHG reduction measures contained in either an applicable MSA PCAP or an applicable state PCAP, or both, as long as the applicant has authority to implement such measures. In addition, GHG quantification approaches do not need to be aligned across different PCAPs.

NEW Q27: How closely does the GHG reduction quantification methodology for the implementation proposal need to match to the reduction quantification for the corresponding PCAP measure? Do they need to use the same inputs for adoption rates, elasticities, and emissions rates? ADDED January 25, 2024.

A27: Scoring of an implementation grant application will be based solely on the information provided in the application itself. The calculations provided in a PCAP are not per se part of the scoring evaluation for the implementation grant outlined in Section IV.A It is up to the applicant to demonstrate the

quality, thoroughness, reasonableness, and comprehensiveness of the methodology, assumptions, and calculations included in their application.

NEW Q28: Will EPA provide a template for a coalition's Letter of Intent? ADDED January 25, 2024.

A28: The lead applicant must include in their application a letter of intent from each coalition member (signed by an authorized official) stating the member's intent to sign the coalition's Memorandum of Agreement (MOA). The EPA does not intend to provide a template for coalition members' letters of intent.

#### **II.** Eligible Applicants

Q1: Who is eligible to apply for an implementation grant under the general competition?

A1: As explained in Section III.A (page 17) of the general competition NOFO, entities eligible to apply for an implementation grant under the general competition are states (including the District of Columbia and Puerto Rico), municipalities, air pollution control agencies, Tribes, territories, and groups thereof. States, municipalities, Tribes, and territories that directly received a CPRG planning grant are eligible to apply. In addition, municipalities, air pollution control agencies, and Tribes that did <u>not</u> directly receive a planning grant but that seek funding to implement one or more GHG reduction measures that are included in an applicable PCAP submitted to EPA by March 1, 2024, are also eligible to apply. An applicable PCAP is one that geographically covers the entity and contains GHG reduction measures that can be implemented by the entity. Please consult Table 2 of the NOFO for additional detail.

Q2: If I didn't receive a planning grant, am I still eligible to apply? Can any local government apply for an implementation grant, or do they need to be one of the 79 MSAs that received a planning grant? Do I have to develop my own PCAP to apply?

A2: Table 2 in Section III.A of the general competition NOFO explains who is an eligible applicant for this competition. Municipalities, air pollution control agencies, and Tribes that did <u>not</u> directly receive a planning grant but that seek funding to implement one or more GHG reduction measures that are included in an applicable PCAP submitted to EPA by March 1, 2024, are eligible to apply. An applicable PCAP is one that geographically covers the entity and contains GHG reduction measures that can be implemented by the entity.

Municipalities that did not directly receive a planning grant but that seek funding to implement one or more GHG reduction measures that are included in an applicable PCAP (submitted to EPA by March 1, 2024) are eligible to apply. Municipalities not covered by one of the 79 MSAs that received a planning grant may be eligible to apply if they are covered by a PCAP developed by a lead organization for the planning grant (e.g., a state PCAP). A municipality that did not receive a planning grant should coordinate with the lead organization developing the applicable PCAP for its state and/or MSA (if located in one of the 79 MSAs that received a planning grant) to ensure that priority measures are included in the plan that can be implemented by the municipality. See Section III.A of the general competition NOFO for more information.

Q3: What does it mean to be covered by a PCAP? Can I be covered by multiple PCAPs?

A3: As explained in Section III.A of the NOFO, municipalities, air pollution control agencies, and tribes that did not directly receive a planning grant but that seek funding to implement one or more GHG reduction measures that are included in an applicable PCAP (submitted to EPA by March 1, 2024) are eligible to apply. An applicable PCAP is one that geographically covers an entity and contains GHG reduction measures that can be implemented by the entity.

An entity may be covered by multiple PCAPs in some cases. For example, an applicable state PCAP and an applicable MSA PCAP may each include measures that a particular municipality could implement. The municipality could reference measures from either or both PCAPs in its application.

Q4: Are multiple agencies or offices within a state government or municipal government able to apply?

A4: Yes, multiple agencies, departments, or other executive branch-level offices from a state or municipality are each eligible to apply. However, EPA recommends that such agencies coordinate with each other to avoid submitting more than one application to implement the same GHG reduction measure in the same geographic location. See Table 2 (page 17) of the NOFO for more information.

Q5: Are there any restrictions on the size and type of coalition I can organize for an implementation grant application?

A5: As explained in Section III.A of the NOFO, a coalition consists of two or more eligible applicants applying to jointly implement one or more measures. A coalition may be comprised of any combination of eligible applicants, at the same or different levels of government. For example, a coalition could include multiple cities in an MSA; multiple MSAs; multiple states; a state and multiple cities; and/or a state and one or more tribes. In all cases, each coalition member must be an eligible applicant and be covered by a PCAP that contains the measure(s) for which the coalition seeks funding.

As explained in section 1 of the workplan expectations (page 31 of the NOFO), a coalition application should briefly describe the role(s) and responsibilities of each coalition member in the project design and implementation. The application should also include an explanation of how each GHG reduction measure included in the application relates to a GHG reduction measure included in the relevant PCAP(s), why each measure was selected as a priority, and a description of how each measure will meet the goals of the CPRG program. To implement a measure as a coalition, each coalition member needs to have the same measure included in their respective PCAP.

One entity must be the lead applicant (see Section III.A) and responsible for managing any grant awarded under this program (see Section IV.C). Multiple eligible entities may apply as a coalition if the group shares a strong and substantial commitment to the proposed measures such that withdrawal by any single member from the coalition would fundamentally alter the design or expected outputs and outcomes of the proposed measures.

Not all partnerships are coalitions. For example, an individual applicant can apply for an implementation grant and have a partnership or collaboration with organizations that are not eligible to serve as the lead applicant (e.g., non-profit organizations or private sector companies). This type of arrangement would not be considered a coalition under CPRG.

Both an individual applicant, and the lead applicant of a coalition, may make subawards to partners (subrecipients) or use contractual arrangements to carry out a portion of the grant's activities in

accordance with the guidelines for subawards and procurement activities described in Appendix A of the NOFO.

Q6: Can I use a climate action plan that is not funded through a CPRG planning grant as the basis for my implementation grant application?

A6: No. Applications for implementation grants must seek funding to implement measures that are included in a PCAP developed with funding from a CPRG planning grant (see Section I.B of the NOFO). PCAPs must be submitted to EPA by March 1, 2024 for the general competition.

Q7: What entities are eligible to apply from Florida, Iowa, Kentucky, South Dakota, and Wyoming? UPDATED November 9, 2023 and December 21, 2023.

A7: State agencies in Florida, Iowa, Kentucky, South Dakota, and Wyoming are not eligible to apply for CPRG implementation grants. Municipalities in Florida, Iowa, Kentucky, South Dakota, and Wyoming are eligible to apply if they are covered by a PCAP developed by an MSA receiving a planning grant. Tribes and Tribal consortia within the geographical boundaries of these states that received a planning grant or are otherwise covered by an MSA or Tribal PCAP are eligible to apply.

On October 27, EPA issued a correction to the NOFO. In the corrected NOFO, EPA added Omaha-Council Bluffs, NE-IA Metro Area and Cincinnati, OH-KY-IN Metro Area to the list on page 20. EPA provides an explanation of these corrections <a href="https://example.com/here">here</a>.

Q8: Under a coalition, would coalition members be subrecipients of the coalition lead? UPDATED December 21, 2023.

A8: Yes, coalition members would be subrecipients of the lead applicant for a coalition. However, the lead applicant for a coalition must submit a Memorandum of Agreement (MOA) signed by all coalition members that includes, among other things, the proposed operating model and roles and responsibilities for all coalition members. All members of the coalition identified in the coalition's MOA must be listed as subrecipients, except the eligible applicant that will be the recipient of the grant (the lead applicant). See Section III.A, Section IV.C, and Appendix E for more information on coalitions.

Q9: Can I still apply for a planning grant to develop a PCAP?

A9: The funding opportunity for the planning grants is closed. Eligible applicants that did not receive a planning grant may still apply for an implementation grant if they are covered by a PCAP as discussed in Section III.A of the General Competition NOFO.

Q10: Would EPA accept a less formal type of agreement for a coalition than a Memorandum of Agreement (MOA)? What if I am unable to get an MOA signed by all coalition members by the deadline for the application? UPDATED December 21, 2023.

A10: In the December 12, 2023 revision of the implementation grants general competition NOFO, EPA modified the requirements for applications from coalitions. A MOA signed by the lead applicant and all coalition members is no longer due at the time of application. Rather, coalition applications are now expected to include a letter of intent from each coalition member stating that member's intent to sign an MOA. A signed MOA is required before any coalition application can receive an award. EPA strongly recommends lead applicants submit signed MOAs to EPA by July 1, 2024, to CPRG@epa.gov. Failure to

provide the EPA with a timely MOA will impact EPA's ability to award the grant. More information on the new MOA guidelines for coalitions can be found in Appendix E of the NOFO.

Q11: Does the MOA need to be complete by the time I submit a Notice of Intent to Apply (NOI)?

A11: No, the MOA does not need to be completed before the submission of the NOI but NOIs should list anticipated coalition members to the extent known. As the NOI is strongly recommended but optional, applicants will not be evaluated on the information included in the NOI.

Q12: Can I add someone to the coalition after I apply? UPDATED December 21, 2023.

A12: EPA will not consider information submitted to EPA after the close of the NOFO in the grant evaluation. This includes the addition of new members to a coalition. In the event that an applicant needs to make updates to a submitted application *prior* to the application deadline, they may submit a revision. Grants.gov provides instructions for applicants to make modifications to their application and resubmit their Grants.gov Workspace prior to the application deadline.

Q13: Are there benefits of applying as a coalition? Would EPA prefer that states interested in implementing a GHG measure apply as a part of a coalition or that they to submit separate applications? ADDED October 23, 2023.

A13: As explained in Section I.B of the NOFO, the CPRG general competition is designed to incentivize eligible applicants to apply for funding together as a coalition to implement GHG reduction measures regionally, across multiple municipalities, state boundaries, or even state and tribal boundaries. Details on eligible applicants and coalitions are available in Section III.A. Each eligible applicant is limited to submitting two grant applications: one as the individual applicant and one as the lead applicant for a coalition. Applicants may also participate in more than one coalition (as a non-lead applicant). However, it is up to each applicant (or coalition of applicants) to determine the approach that is most appropriate for the selected measure(s) and most responsive to the evaluation criteria in the NOFO. Each application, whether from an individual entity or a coalition, will be evaluated on the strength of its proposal; there is no adjustment to evaluation criteria or to scoring for coalition applications.

Q14: Are Tribal consortia that are receiving planning grants, such as the Alaskan Native Tribal Health Consortium (ANTHC), eligible to apply for implementation grants? Are Alaskan Native Corporations eligible? May Tribal consortia subgrant to Alaskan Native Corporations? ADDED October 23, 2023.

A14: Tribes and Tribal consortia that received planning grants as well as those that did not receive a planning grant but are covered by an applicable Tribal, state, or MSA PCAP are eligible to apply. ANTHC received a CPRG planning grant and is eligible to apply for an implementation grant.

As explained in footnote 4 on page 5 of both the general competition NOFO and the Tribes and territories competition NOFO, Alaskan Native Corporations are not eligible applicants for an implementation grant but could receive subawards from eligible CPRG implementation grantees as long as they meet EPA subaward requirements.

Q15. Are for-profit entities eligible to apply for CPRG implementation grants? If not, how can a for-profit entity participate in the CPRG program? ADDED November 9, 2023.

A15: For-profit entities are not eligible to apply for this funding opportunity. However, there are several circumstances in which a for-profit entity may participate in a GHG reduction measure funded under an implementation grant.

A CPRG grant recipient may provide rebates, subsidies, or similar one-time, lump-sum payments to for-profit entities for the purchase of technologies that reduce GHG emissions. Such expenditures by the grant recipient would be considered participant support costs. For example, a state could receive funding to implement a rebate program and provide funding to for-profit entities (e.g., private trucking companies) to replace their existing fleet with EVs. Please see Appendix A of the NOFO, RAIN-2018-G05, and "EPA Guidance on Participant Support Costs," for further guidance on participant support costs.

A for-profit entity also may participate in a GHG reduction measure if the grant recipient chooses to contract work out to the for-profit entity. A contract (as described in 2 CFR § 200.331) is for the purpose of obtaining goods and services for the grant recipient's own use and creates a procurement relationship with the contractor. Grant recipients that enter into procurement contracts must comply with the applicable procurement provisions in 2 CFR § 200.317 through 200.327. For example, a city could hire a private company to conduct energy audits on city buildings. As noted in 2 CFR § 200.319, the example procurement would likely require a fair and open competition. Please see EPA's Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements.

Finally, a grant recipient may subaward a portion of the grant to a for-profit entity. Subawards establish a financial assistance relationship under which the subrecipient's employees and contractors implement programs and projects to accomplish the goals and objectives of the grant. For example, a state could provide a subaward to a private company to carry out a specific project under their broader state-run industrial energy efficiency program. While it is not common for subawards to be provided to for-profit entities, EPA's subaward policy notes that "EPA's Award Official must approve subawards to for-profit entities and individuals on the basis of either a precise description of the subaward in the EPA approved budget and project narrative, or on a transaction-by-transaction basis." Subrecipients are subject to the same federal requirements as the grant recipient (also known as the "pass-through entity") and they must comply with applicable subaward provisions of 2 CFR Part 200, the EPA Subaward Policy, and EPA's General Term and Condition for Subawards.

For-profit entities that receive a contract or subaward are subject to <u>Build America</u>, <u>Buy America</u> requirements and the Davis-Bacon Act.

Q16. Are county governments eligible to apply for CPRG implementation grants? ADDED November 9, 2023.

A16: Yes, counties are considered municipalities under Clean Air Act section 302(f), so county governments, including county agencies, departments, and offices, are eligible to apply for this funding opportunity.

Q17: Does a council of governments or a Tribal consortium need to submit a memorandum of agreement (MOA) as part of its implementation grant application? <u>ADDED November 9, 2023.</u>

A17: A council of governments or other regional municipal council is an eligible applicant in its own right and does not need to submit an MOA as part of its implementation grant application if it is accountable to local units of government. A consortium of federally-recognized Tribes is an eligible applicant in its own right and does not need to submit an MOA as part of its implementation grant application if it is accountable to the Tribes in the Tribal consortium.

A council of governments or Tribal consortium may apply as an individual applicant, and as the lead for a coalition of other eligible applicants. A council of government or a Tribal consortium may also participate in a coalition (i.e., as a member of the coalition, not the lead applicant for the coalition). A

council of government or a Tribal consortium does not need to submit an MOA if applying as an individual applicant, but they would need to sign an MOA if participating with other eligible applicants in a coalition.

Q18: How can non-profits and non-profit community-based organizations (CBOs) participate in a CPRG implementation grant? ADDED November 9, 2023.

A18: Eligible applicants for CPRG implementation grants are states, municipalities, Tribes, territories, and groups thereof. In general, non-profits and CBOs are not eligible to apply for CPRG implementation grants. However, there are several circumstances in which a non-profit or CBO may participate in a GHG reduction measure funded under an implementation grant.

A grant recipient (also known as the pass-through entity) may subaward a portion of the grant to a non-profit or CBO. Subawards establish a financial assistance relationship under which the subrecipient's employees and contractors implement programs and projects to accomplish the goals and objectives of the grant. Subrecipients are subject to the same federal requirements as the pass-through entity and must comply with applicable subaward provisions of 2 CFR Part 200, the EPA Subaward Policy, and EPA's General Term and Condition for Subawards.

Non-profits or CBOs may also be beneficiaries of participant support costs from an implementation grantee. For example, a grantee could provide participant support costs in the form of a rebate to a non-profit to install solar panels plus storage on the non-profit's facility. Please see Appendix A of the NOFO, RAIN-2018-G05, and "EPA Guidance on Participant Support Costs," for further guidance on participant support costs.

A non-profit or CBO also may participate in a GHG reduction measure if the grant recipient chooses to contract work out to the non-profit or CBO. A contract (as described in <u>2 CFR § 200.331</u>) is for the purpose of obtaining goods and services for the grant recipient's own use and creates a procurement relationship with the contractor. Grant recipients that enter into procurement contracts must comply with the applicable procurement provisions in <u>2 CFR § 200.317 through 200.327</u>. Please see <u>EPA's Best Practice Guide for Procuring Services</u>, Supplies, and Equipment Under EPA Assistance Agreements.

Finally, non-profits and CBOs may participate in community engagement aspects of the implementation grants program. For example, a CPRG implementation grant application will be evaluated on how input from low-income and disadvantaged communities was incorporated into the application and how meaningful engagement with low-income and disadvantaged communities will be continuously included in the implementation of the proposed GHG reduction measures (page 53 of the NOFO).

Q19: If an MSA expanded the geographic area covered by their PCAP beyond the original MSA boundaries, will municipalities and tribes in this expanded area be able to apply for implementation funding using that PCAP, even though they are not included in the original MSA boundary? ADDED November 9, 2023.

A19: As explained in Section III.A (page 17) of the general competition NOFO, entities eligible to apply for an implementation grant under the general competition include municipalities that did not directly receive a planning grant but that seek funding to implement one or more GHG reduction measures that are included in an applicable PCAP submitted to EPA by March 1, 2024. An applicable PCAP is one that geographically covers the entity and contains GHG reduction measures that can be implemented by the entity.

In Question A6 in the Climate Pollution Reduction Grant Program Planning Grant Question and Answer Document, EPA stated that "Metropolitan area plans are expected to cover the geographic scope of the individual sub-state jurisdictions (e.g., cities, counties, air pollution control agency districts) that comprise the metropolitan statistical area (MSA) as delineated by United States Office of Management and Budget (OMB) based on U.S. Census Bureau data. Inclusion of neighboring jurisdictions, outside the boundary lines of the MSA, is allowed and encouraged."

Since an MSA planning grantee can develop a PCAP for an area that includes additional jurisdictions outside the boundary of the MSA, the jurisdictions outside the OMB defined boundary that are geographically covered by such a PCAP would be eligible to apply for funding to implement GHG reduction measures included in the PCAP.

Q20: Can multiple states apply to jointly implement GHG reduction measures? ADDED November 9, 2023.

A20: Eligible applicants from multiple states may apply as a coalition to jointly implement GHG reduction measures contained in their respective PCAPs. One of the states would need to serve as the lead applicant. Eligible state applicants applying as a coalition must sign an MOA defining the roles and responsibilities of each applicant in implementing the measures.

Q21: What municipal entities are eligible to apply for CPRG implementation grants? Specifically, are regional transit authorities; public housing authorities; port authorities; water, sanitation, and waste districts; public school districts; and flood authorities considered to be eligible applicants? ADDED November 23, 2023.

A21: As explained in footnote 3 (on page 5) of the NOFO, a "municipality" defined under Clean Air Act section 302(f) is a city, town, borough, county, parish, district, or other public body created by or pursuant to State law. Eligible municipal applicants include lead organizations for MSA CPRG planning grants; other municipal agencies, departments, or other municipal government offices; and, councils of government, metropolitan planning commissions, or other regional organizations comprised of multiple municipalities (Table 2 of NOFO).

Other municipal entities such as regional transit authorities, public housing authorities, port authorities, water, sanitation, and waste districts, public school districts, and flood authorities may be eligible to apply if:

- they constitute a public body created by or pursuant to State law, and
- they are accountable to municipal or state units of government.

These other municipal entities must provide documentation that the state or territory in which they are located considers these entities to be a public body created by or pursuant to State law. Examples of acceptable forms of proof include legal opinions from the state Attorney General or equivalent, or from the entity's Chief Legal Officer.

Eligible applicants must seek funding to implement one or more GHG reduction measures that are included in an applicable PCAP. Furthermore, as described in Sections IV and V, applications should articulate which party or parties have the authority to carry out each proposed measure or, in the case where they do not currently have authority, provide a clear plan and timeline to obtain it during the grant period. Applicants should also list all other entities whose cooperation or participation is necessary for GHG reduction measure implementation. An application will be evaluated on the extent to which it

demonstrates that the applicant has the requisite organizational experience, including staff expertise and qualifications, staff knowledge, and resources or ability to obtain them, to successfully achieve the goals of the proposed project.

Municipal entities as described above may also be subrecipients of a CPRG implementation grant. For example, a county government could receive a CPRG grant and provide a subaward to the county school district to implement a GHG reduction measure (such as building weatherization and addition of rooftop solar on multiple schools). Municipal entities may also serve as part of a coalition for a CPRG implementation grant.

Q22: What state entities are eligible to apply? Specifically, are public utility commissions, state green banks, and state public university systems considered to be eligible applicants? ADDED November 23, 2023.

A22: Eligible state applicants include lead organizations for state CPRG planning grants and other state agencies, departments, and other executive branch-level offices. A state entity such as a public utility commission, state green bank, or state public university system may be an eligible applicant if:

- they constitute a public body created by or pursuant to State law, and
- they are accountable to state-level government.

These other state entities must provide documentation that the state or territory in which they are located considers these entities to be a public body created by or pursuant to State law and are accountable to state-level government.

State entities as described above may also be subrecipients of a CPRG implementation grant. For example, a state governor's office could receive a CPRG grant and provide a subaward to the state public university system to implement a GHG reduction measure. A state entity may also serve as part of a coalition for a CPRG implementation grant.

Eligible state applicants must seek funding to implement one or more GHG reduction measures that are included in an applicable PCAP. Furthermore, as described in Sections IV and V, applications should articulate which party or parties have the authority to carry out each proposed measure or, in the case where they do not currently have authority, provide a clear plan and timeline to obtain it during the grant period. Applicants should also list all other entities whose cooperation or participation is necessary for GHG reduction measure implementation. An application will be evaluated on the extent to which it demonstrates that the applicant has the requisite organizational experience, including staff expertise and qualifications, staff knowledge, and resources or ability to obtain them, to successfully achieve the goals of the proposed project.

Q23: For coalition applications, can a portion of the application include measures that only the lead applicant would implement? ADDED December 21, 2023.

A23: As described on page 20 of the NOFO, a coalition is a partnership with a shared commitment to implementing the proposed measures. With this understanding, a coalition's application should only include measures that will be implemented by the entire coalition. An application that includes measures that do not apply to all coalition members will be treated as an individual application for the lead applicant.

Q24: Are Federally recognized Indian Tribes considered to be eligible applicants? What about tribal housing authorities? ADDED December 21, 2023 and UPDATED January 8, 2024.

A24: As noted in Section III.A. of the NOFO, eligible Tribal applicants include lead organizations for Tribal CPRG planning grants and other Tribal agencies, departments, other Tribal government offices and Tribal consortia. This definition includes federally recognized Tribes that are covered by a PCAP.

Other Tribal entities (such as a Tribal housing authority) may be eligible applicants if:

- they constitute a Tribal government body created by or pursuant to Tribal law, and
- they are accountable to Tribal-level government.

These other Tribal entities must provide documentation that the associated Tribe considers these entities to be a public body created by or pursuant to Tribal law. Tribal entities as described above may also be subrecipients of a CPRG implementation grant. For example, a Tribal office could receive a CPRG grant and provide a subaward to the Tribal housing authority to implement a GHG reduction measure.

Q25: Does an explicit accounting of an entity's GHG emissions have to be accounted for in the PCAP in order for that entity to be eligible to apply for an implementation grant? ADDED December 21, 2023.

A25: PCAPs are expected to cover the geographic scope of the jurisdictions (e.g., states, cities, counties, air pollution control agency districts, etc.) that comprise the state, metropolitan statistical area (MSA), territory, or tribe. The GHG emissions inventory may be aggregated at the state, MSA, territory, or tribal level. The PCAP GHG inventory does not need to be disaggregated to the level of each individual jurisdiction within the State, MSA, territory, or tribe.

An entity must seek funding to implement one or more GHG reduction measures that are included in an applicable PCAP to be eligible to apply. An applicable PCAP is one that geographically covers an entity and contains GHG reduction measures that can be implemented by the entity. A PCAP may include GHG reduction measures that apply broadly and can be implemented by the municipalities or other jurisdictions comprising the state, metro area, territory, or tribe. While the PCAP does not necessarily need to quantify specific GHG reductions by location, it should describe the GHG reduction measures with enough detail that implementation grant applicants can provide an estimation of future GHG reductions associated with the measure. The PCAP does not need to identify the specific names of other eligible entities (e.g., such as specific cities or counties) that may or may not implement a particular measure, however.

Q26: Can multiple non-contiguous eligible applicants apply together? For example, can all the CPRG Planning Grant MSAs in a given state apply as a coalition despite being spread out geographically? ADDED December 21, 2023.

A26: Non-contiguous eligible applicants may apply together as a coalition if the proposed measures are contained in PCAPs applicable to each coalition member and the coalition members share a strong and substantial commitment to the proposed measures (e.g., financially, materially, or operationally) such that withdrawal by any single member from the coalition would fundamentally alter the design or expected outputs and outcomes of the proposed measures. As referenced in question 5 above, a coalition may be comprised of any combination of eligible applicants. For example, a coalition could

include multiple cities in an MSA; multiple MSAs; multiple states; a state and multiple cities; and/or a state and one or more tribes.

Q27: If a state did not opt in to the CPRG Planning Grant phase, can a state agency in that state apply for implementation grant funding if they join a coalition? ADDED December 21, 2023.

A27: No. A coalition must consist of two or more eligible applicants, and state agencies from Florida, Iowa, Kentucky, South Dakota, and Wyoming are ineligible for CPRG implementation grant funding because those states chose not to participate in the CPRG planning grants program.

NEW Q28: What happens if one member of a coalition withdraws? ADDED January 25, 2024.

A28: As with any EPA grant with a grant recipient subawarding to subrecipients, the grant recipient (in this case, the lead applicant for the coalition) is accountable to EPA and accepts responsibility for carrying out the full scope of work and proper financial management of the grant. In the event that a coalition member withdraws, the grant recipient continues to be subject to EPA's terms and conditions for the grant, the subaward policy, and EPA grants policy. In circumstances where EPA deems that the withdrawal of a coalition member fundamentally alters the project or jeopardizes the project's success, the EPA will consider appropriate remedies and reserves the right to terminate an awarded grant (see 2 CFR 200.339 through 343).

**NEW** Q29: Would a community choice aggregator be eligible to lead a coalition, or be a coalition member? If not, can a community choice aggregator be a subrecipient? **ADDED January 25, 2024.** 

A29: A coalition may only be comprised of eligible applicants, defined in Section III.A of the NOFO. A non-eligible entity, however, may receive a subaward. If a grant recipient chooses to pass funds from its grant to other, non-eligible entities through subawards, the recipient and subrecipient must comply with applicable subaward provisions of 2 CFR Part 200, the <a href="EPA Subaward Policy">EPA Subaward Policy</a>, and <a href="EPA's General Terms">EPA's General Terms</a> and <a href="Conditions for Subawards">Conditions for Subawards</a>.

NEW Q30: If a CPRG planning grantee appends local Climate Action Plans to the regional PCAP to demonstrate and support the full extent of the region's climate pollution reduction/climate action planning, are the projects that are included in the local Climate Action Plans then considered part of the PCAP and are thus eligible for funding under CPRG implementation grants? ADDED January 25, 2024.

A30: As documented on page 18 of the CPRG Planning Grant Program Guidance for States and MSAs, a PCAP should include a focused list of near-term, high-priority, implementation ready measures to reduce GHG pollution. PCAPs may draw from or reference existing climate action plans for the geographic area covered, such as an existing climate, energy, or sustainability plan. However, in order to be eligible for implementation grant funding, the description of the identified measures must meet the requirements for the PCAP described on page 53 of the program guidance. For each measure, the PCAP must provide an estimate of the quantifiable GHG emissions reductions, key implementing agency or agencies, implementation schedule and milestones, expected geographic location if applicable, milestones for obtaining legislative or regulatory authority as appropriate, identification of funding sources if relevant, and metrics for tracking progress.

**NEW** Q31: Could funds be expended on projects occurring on federal lands? Are federal agencies, including the branches of the military, eligible partners or subrecipients? **ADDED January 25, 2024.** 

A31: Each implementation grant applicant needs to demonstrate that their proposed projects are covered by an applicable PCAP and that they have authority to implement the projects. An applicable PCAP is one that geographically covers an entity and contains GHG reduction measures that can be implemented by the entity. Projects that occur on federal lands would need to meet these requirements. Federal agencies are not eligible applicants and therefore cannot serve on a coalition.

Regarding subawards, an applicant would have to work with the federal agency to determine whether it has the authority to accept a subaward from an EPA grantee. In limited cases, federal agencies can receive subawards, as outlined in the Subaward Policy linked in Appendix A of the NOFO: "As provided in 2 CFR Part 25, Appendix A, Federal agencies are subrecipients for the purposes of the System for Award Management and Universal Identifier Requirements when they receive "subawards" from pass-through entities. Federal agencies may also be subrecipients for the purposes of 2 CFR Part 200 as indicated in the definition of Subrecipient in 2 CFR 200.1. Nonetheless, Federal agencies must have statutory authority to provide services to non-Federal entities on a reimbursable basis or otherwise receive and use funds from non-Federal entities under subawards. Examples of statutes available to all Federal agencies for receipt and use of EPA financial assistance funds are the Intergovernmental Cooperation Act for services to state and local governments, the Federal Technology Transfer Act for Cooperative Research and Development and Agreements, and the Omnibus Territories Act for reimbursable services agreements with U.S. Territories."

NEW Q32: Can tribal nonprofits be a lead applicant if they are in a coalition of other tribes? I saw that "In general, non-profit organizations are not eligible entities for the CPRG program." However, new section 137(d)(1) of the Clean Air Act defines "a group of tribes" as an eligible entity. ADDED January 25, 2024.

A32: Non-profit organizations are generally not eligible applicants and therefore are not eligible to serve as the lead applicant or member of a coalition. However, a Tribal consortium, as a group of federally-recognized Tribes, is an exception and can be an eligible applicant, even if they are a non-profit organization. Otherwise, a Tribal non-profit that is not a Tribal consortium may partner with an individual applicant or coalition to carry out a portion of the grant activities in accordance with the guidelines outlined in Appendix A of the NOFO.

**NEW** Q33: If an eligible entity whose jurisdiction spans two MSAs submits an application with subgrantees in the two MSAs, must it be a coalition application or can it simply be an application with a lead applicant and subrecipients? **ADDED January 25, 2024**.

A33: Not all applications with subrecipients are coalition applications. An individual applicant that is awarded an implementation grant may procure contractual support and/or issue subawards to subrecipients to carry out a portion of the grant project as described in Appendix A of the NOFO.

#### **III.** Eligible Measures

Q1: What types of projects are eligible for funding?

A1: Applications must propose to implement GHG reduction measures contained in a PCAP developed under a CPRG planning grant and meet the threshold eligibility criteria in Section III.C. of the NOFO (page 21). Additionally, any application should be consistent with EPA's goals for implementation funding (see Section I.B of the NOFO, page 6). It is up to each applicant to make the case to EPA in their application how their proposed measure adheres to the workplan requirements in Section IV of the NOFO and meets to the evaluation criteria established in Section V of the NOFO. An illustrative list of potential GHG reduction measures can be found on page 9 of the NOFO. However, this list is neither exhaustive nor definitive with respect to the measures that may be included in applications under this NOFO. Applicants should consider the evaluation criteria in Section V.A when deciding on which measure or measures to include in their applications.

EPA will not respond to individual questions about whether specific GHG reduction measures are eligible and how they might score in the general competition.

Q2: Are carbon sink projects, or projects that enhance carbon removal, eligible?

A2: An eligible GHG reduction measure under the CPRG implementation grants program may reduce GHG emissions or enhance carbon removal. Measures that enhance carbon removal are those that increase the removal of carbon dioxide from the atmosphere through, for example, the uptake of carbon and storage in soils, vegetation, and forests. Such measures may include actions related to management of lands in their current use, or as lands are converted to other uses (see Section I.B., page 7, of the General competition NOFO).

Q3: Are climate adaptation or resilience measures eligible?

A3: Eligible projects must meet the threshold eligibility criteria in Section III.C. of the NOFO (page 21), including reducing GHG emissions or enhancing carbon removal. Climate adaptation and resilience measures that do not result in a reduction in GHG emissions or enhance carbon removal are not eligible.

Q4: Can an implementation grant application request funds to hire staff to implement GHG reduction measures included in the application?

A4: In the budget detail for the application, costs for implementing GHG reduction measures may include staffing and contractual costs necessary to implement GHG measures and training and staff capacity-building costs. See page 41 of the NOFO for more information.

Q5: Can an implementation grant application request funds for job training?

A5: In order to be eligible, applications must be fully responsive to the NOFO and must be to implement GHG reduction measures contained in a PCAP developed under a CPRG planning grant. Applications may request funding to be used for high-quality workforce development activities that are tied to or facilitate implementation of a proposed GHG reduction measure (page 37 of the NOFO).

Q6: How broadly or narrowly do GHG reduction measures need to be defined in the application?

A6: Applicants should review the application expectations in Section IV and the evaluation criteria in Section V of the NOFO to determine what level of specificity of the GHG reduction measures to include in the application. As explained in Section IV.B. of the NOFO, applications should provide details on each measure (page 26). Applicants should provide a detailed description of each of the proposed GHG

reduction measures to be undertaken. These descriptions should include the major features, tasks, and milestones for each measure and explain how to ensure success of the measures. The application should also describe underlying assumptions and risks associated with those features, tasks, and milestones.

Q7: Can I apply for funding to implement multiple GHG reduction measures in one application?

A7: Yes, applications may include one or more proposed GHG reduction measures. Applications will be evaluated as a whole, and GHG reduction measures will not be scored individually (page 8 of NOFO). Therefore, applicants should include only those measures that are eligible and that meet the requirements described in this announcement. For applications that include multiple GHG reduction measures, applicants should provide assumptions, calculations, and documentation for each GHG reduction measure.

Q8: Are implementation grants meant to implement a PCAP measure in its entirety, or can it focus on a subset of the components and actions in one measure? <u>UPDATED October 23, 2023</u>.

A8: An eligible applicant may apply to implement a portion of a measure included in a PCAP but should explain how the measure included in the application relates to a GHG reduction measure included in the relevant PCAP(s) (page 30 of the NOFO). Applications should only quantify emission reductions that will occur as a result of CPRG implementation grant funding. If CPRG funding represents a fraction of the total funding for a GHG measure, the total estimated GHG emission reductions should be scaled as explained on page 32 of the NOFO.

Q9: What types of infrastructure projects are eligible for CPRG funding (i.e., EV equipment infrastructure, pedestrian and bike path infrastructure, green infrastructure, etc.)? ADDED October 23, 2023.

A9: Infrastructure projects that reduce GHG emissions and meet the threshold eligibility criteria in Section III.C of the NOFO are eligible measures. An illustrative list of potential GHG reduction measures for which applicants may choose to seek CPRG implementation grant funding can be found on page 9 of the NOFO. EPA will not respond to individual questions about whether specific infrastructure projects are eligible and how they might score in the general competition.

Certain infrastructure projects that may be funded under this competition may be subject to domestic content sourcing requirements under the Build America, Buy America (BABA) provisions of the Infrastructure Investment and Jobs Act (IIJA). For more information, please see Section VI.D of the NOFO.

Q10: How specific do the measures listed in the PCAP have to be to ensure a given project is eligible under the implementation grant funding opportunity? <u>ADDED October 23, 2023</u>.

A10: Planning grantees and potential applicants for implementation grants should review the CPRG planning grant guidance for information about what to include in the PCAP, specifically, section 15.3 of the planning grant program guidance for states, municipalities, and air pollution control agencies and section 14.2 of the planning grant program guidance for Tribes, Tribal consortia, and U.S. territories. The planning grant program guidance documents explain that, for each measure, the PCAP must provide an estimate of the quantifiable GHG emissions reductions, key implementing agency or agencies, implementation schedule and milestones, expected geographic location if applicable, milestones for obtaining legislative or regulatory authority as appropriate, identification of funding sources if relevant, and metrics for tracking progress. While the PCAP does not necessarily need to identify specific GHG reduction projects by name and/or location, it should adequately describe the GHG reduction measures

that will be implemented in the future. Measures must be described with enough detail such that implementation grant applicants can provide an estimation of future GHG reductions associated with the measure. The PCAP does not need to identify the specific names of other eligible entities (e.g., such as specific cities or counties) that may implement a particular measure.

Implementation grant applications should provide, on the cover page, references to applicable PCAPs under which each GHG reduction measure is covered (including PCAP lead organization, PCAP title, PCAP website link, list of GHG reduction measures and corresponding PCAP page numbers) (page 30 of NOFO). As explained in section 1.a of the workplan expectations, applicants should include an explanation of how each GHG reduction measure included in the application relates to a GHG reduction measure included in the relevant PCAP(s) (page 31).

Q11: Does this program allow CPRG funding to be combined with other federal or non-federal funding? Are projects that receive CPRG Implementation grants allowed to apply for and receive federal tax credits through elective pay (also called "direct pay")? ADDED October 23, 2023.

A11: Yes, CPRG funding may be combined with other federal funding, including federal tax credits, or non-federal funding. As explained on page 8 of the NOFO, a GHG measure could be an expansion of a measure that is already being implemented. Furthermore, a GHG measure could be a new measure for which the applicant has already secured partial funding and needs additional funding from the CPRG program to secure the total funding needed to fully implement the measure.

As discussed in Section I.B of the NOFO, CPRG aims to support measures for which dedicated funding or financing from other sources is unavailable or that leverage other sources of public and private funding to the fullest extent possible prior to seeking CPRG funding. In section 1b of the workplan, applicants should explain if and how an applicant has explored the availability of other federal and state grants, tax incentives, and other funding sources to implement their GHG reduction measures and why these sources are not sufficient. The application should include a list of federal and non-federal funding sources that the applicant has applied for, secured, and/or will secure to implement the GHG reduction measures, if applicable. For GHG reduction measures for which the applicant has secured partial funding, which may include tax incentives, the applicant should explain why CPRG funds are also needed.

When quantifying GHG reductions in section 2 of the workplan, applicants should scale the GHG emission reductions by the fraction of CPRG funding and total funding for the GHG measure (page 32 of NOFO).

Q12: Are grants in the program covered under Build America, Buy America (BABA)? ADDED October 23, 2023.

A12: As explained in Section VI.D of the NOFO, certain projects funded under this competition may be subject to domestic content sourcing requirements under the BABA provisions of the Infrastructure Investment and Jobs Act (IIJA) (P.L. 117-58, §§70911-70917). These provisions apply when a grantee uses federal funds for the purchase of goods, products, and materials on any form of construction, alteration, maintenance, or repair of public infrastructure in the United States.

CPRG implementation grants are subject to BABA. Implementation grant recipients must comply with BABA requirements or obtain a waiver for each infrastructure project. Under BABA, the Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. Mobile source vehicles/engines and infrastructure on a private

residence for personal use do not constitute infrastructure projects under this program. A list of approved EPA <u>waivers</u> is available on the EPA <u>Build America</u>, <u>Buy America</u> website. Please see Section VI.D of the NOFO for additional details.

Q13: Are CPRG grants involving construction activities subject to the requirements of the Davis-Bacon Related Acts? ADDED October 23, 2023.

A13: Yes, as required by Section 314 of the Clean Air Act, grants under this program that involve construction activities are subject to prevailing wage requirements as determined by the U.S. Department of Labor under the Davis-Bacon Related Acts. These requirements apply to subgrantees and contractors of a CPRG implementation grant. See Section VI.C of the NOFO. The CPRG program uses the definition of construction defined in OGD Policy/40 CFR 33.103 which is the "erection, alteration, or repair of buildings, structures or other improvements to real property."

Costs for architectural and engineering services are not construction costs subject to Davis-Bacon Related Acts and should be considered "contractual" costs. Construction activities carried out by the applicant's own employees are not construction costs subject to Davis-Bacon Related Acts and should be considered "personnel" costs.

Q14: Are carbon capture and storage projects eligible for CPRG funding? ADDED November 9, 2023.

A14: Yes, an application that includes carbon capture and storage to reduce GHG emissions is eligible to apply for CPRG funding as long as the application meets the threshold eligibility criteria in Section III.C of the NOFO. As with any proposed GHG reduction measure, it is up to each applicant to make the case to EPA how their proposed measure adheres to the workplan requirements in Section IV of the NOFO and meets the evaluation criteria established in Section V of the NOFO. Applicants should consider the evaluation criteria in Section V.A when deciding on which measure or measures to include in their application.

Q15: Can applicants apply to implement a workforce development program on its own or must the workforce development program be tied to GHG emissions reductions? ADDED November 9, 2023.

A15: Applicants may request funds to be used for workforce development activities as long as the activities are tied to a proposed GHG reduction measure. While applicants do not need to estimate GHG reductions associated with a workforce development component of a proposed GHG reduction measure, applicants must estimate GHG reductions associated with each measure included in the application. Workforce development activities should be focused to enable the applicant to carry out the proposed GHG reduction measures in their application by training workers and building a skilled workforce. For example, a GHG reduction measure focused on industrial efficiency and electrification may include workforce development activities to train energy efficiency auditors and electricians.

Q16: Are approaches and technologies included in a GHG reduction measure limited to those that result in zero GHG emissions? For example, could a measure employ technologies that reduce GHG emissions but do not achieve zero emissions? ADDED November 9, 2023.

A16: An application that includes approaches to reduce GHG emissions is eligible for the CPRG implementation grant competition as long as the application meets the threshold eligibility criteria in Section III.C of the NOFO. A proposed GHG reduction measure does not need to result in zero GHG emissions. It is up to each applicant to make the case to EPA in their application how their proposed measure meets the evaluation criteria established in Section V of the NOFO. Applicants should consider

the evaluation criteria in Section V.A when deciding on which measure or measures to include in their application.

Q17: Can an implementation grant fund the design of a project, or only implementation? (e. g., some federal grants require transportation projects to be at the 30% design stage in order to be eligible).

ADDED December 21, 2023 and UPDATED January 8, 2024.

A17: An implementation grant application can include costs in the budget to cover both the design and implementation of GHG reduction measures. However, the application should describe the implementation of the GHG reduction measures with sufficient detail to ensure that EPA can effectively evaluate the measures. As with any proposed GHG reduction measure, it is up to each applicant to make the case to EPA how their proposed measure adheres to the workplan requirements in Section IV of the NOFO and meets the evaluation criteria established in Section V of the NOFO. Applicants should consider the evaluation criteria in Section V.A when deciding on which measure or measures to include in their application.

Q18: Would proposals that include projects in multiple sectors (e.g., transportation AND waste/recycling) be rated more favorably by EPA than proposals for measures in single sectors? ADDED December 21, 2023.

A18: EPA cannot comment on how certain measures or applications might score in the CPRG implementation grant competitions. Each applicant should therefore focus on the evaluation criteria in Section V.A. and the application instructions laid out in Section IV.B. to help develop the best application for its jurisdiction.

**NEW** Q19: The project we are considering will address upstream carbon emissions that are well-documented but occur out of our jurisdiction (e.g., hyperlocal energy efficiency measures, green steel procurement, food-waste diversion, etc.). Will you consider the GHG reductions of implementing such a project? ADDED January 25, 2024.

A19: While the measures included in an application should align with the jurisdiction of the applicant, some measures may result in GHG emission reductions that occur outside their direct jurisdiction. For instance, energy efficiency and electrification measures may affect emissions from the power sector outside of the direct geographic region of the applicant. In such cases, it is up to the applicant to "show their work" and demonstrate the quality, thoroughness, reasonableness, and comprehensiveness of the methodologies, assumptions, and calculation used for developing the estimated GHG emission reductions.

NEW Q20: What does EPA mean by "Quantified reductions should not include those that would already occur because of federal, state, tribal, territorial, local and/or other regulatory requirements or other funding sources" and "Using CPRG funds to aid regulated entities to comply with EPA regulatory requirements is not an eligible activity under this program." If an eligible entity already has a state law affecting a given sector, would that prohibit CPRG funds for related activities from being awarded to any entity in the state? ADDED January 25, 2024.

A20: The NOFO instructs applicants to quantify GHG reductions that will occur as a result of the CPRG implementation grant funding and not take credit for GHG emission reductions that are already projected to occur. The NOFO does not necessarily "prohibit" awarding funds to implement existing state programs. As explained on page 8 of the NOFO, EPA anticipates that applications may seek funding

for, among other things, an expansion of a GHG reduction measure that is already being implemented, where the expansion of the measure will be funded through CPRG funding.

The sentence in the NOFO that reads "Using CPRG funds to aid regulated entities to comply with EPA regulatory requirements is not an eligible activity under this program," applies to compliance activities associated with EPA (federal) regulations.

**NEW** Q21: A GHG reduction measure in our PCAP would be located on incorporated city land but the impacts would extend to unincorporated areas. Can a GHG reduction measure cover both incorporated and unincorporated areas? **ADDED January 25, 2024.** 

A21: Applications must request EPA assistance funds to implement GHG reduction measures contained in a PCAP developed under a CPRG planning grant. An applicable PCAP is one that geographically covers an entity and contains GHG reduction measures that can be implemented by the entity (page 22 of the NOFO). As long as the PCAP covers the location where the measure will be implemented and the applicant has the authority to implement it, the impacts of the measure may extend elsewhere.

NEW Q22: How will EPA determine eligibility for projects that facilitate but do not drive greenhouse gas emission reductions? For example, a navigator program that helps households access incentives for home energy retrofits could increase uptake of heat pump incentives, but would EPA consider the navigator program itself responsible for the emission reductions associated with the heat pump installations? ADDED January 25, 2024.

A22: A program or activity is eligible as long as it is tied to a proposed GHG reduction measure from an applicable PCAP. As with any proposed GHG reduction measure, it is up to each applicant to make the case to EPA how their proposed measure adheres to the workplan requirements in Section IV of the NOFO and meets the evaluation criteria established in Section V of the NOFO.

NEW Q23: Are measures that focus on reducing black carbon emissions eligible? ADDED January 25, 2024.

A23: Eligible measures must reduce GHG emissions as defined in section 137 of the Inflation Reduction Act (see page 5 of the NOFO). Black carbon is not a covered GHG and therefore applicants may not include black carbon reductions in their GHG reduction estimates. However, measures that reduce GHG emissions as well as other air pollutants, such as black carbon, are eligible.

**NEW** Q24: Can CPRG funding go towards operations of existing programs? For example, could it cover the operating cost of expanding the operational hours of public transit? **ADDED January 25, 2024.** 

A24: CPRG funding may not be used to simply pay for existing programs, but applicants may apply for CPRG funds to *supplement or expand* existing programs. As stated on page 8 of the NOFO, applications may seek CPRG funding for an expansion of a GHG reduction measure that is already being implemented via other means. When calculating the magnitude of GHG emission reductions of the measure (in this case, expansion of an existing measure), applicants should only quantify emission reductions that will occur as a result of the CPRG implementation grant funding. If CPRG funding represents a fraction of total funding for a measure, the total estimated GHG emission reductions should be scaled by the fraction in order to quantify GHG emission reductions associated with CPRG funding.

**NEW** Q25: Could an implementation grant fund operational expenses or may funds only go toward capital investments? **ADDED January 25, 2024**.

A25: Yes, operational costs are eligible costs under this program.

NEW Q26: Is land acquisition an eligible use of implementation grant funds? ADDED January 25, 2024.

A26: Yes, grantees can acquire real property using grant funds to implement measures outlined in an applicable PCAP. For land acquisitions, the grantee must follow the provisions of 2 CFR 200.311, the Uniform Relocation Assistance and Real Property Acquisitions Policy Act (URA) (42 USC § 4601 et seq.) and the URA's regulations (49 CFR Part 24). It will be up to the applicant to demonstrate that the measures included in the proposal address the evaluation criteria included in Section V of the NOFO, including quantifying the magnitude of GHG reductions achieved and describing the durability of those GHG reductions.

**NEW** Q27: For applicants considering building-related measures, is there a list of eligible or ineligible equipment models? **ADDED January 25, 2024**.

A27: There is no list of acceptable or unacceptable equipment models eligible for funding under CPRG, provided such equipment meets <u>federal energy efficiency standards</u> and BABA requirements, as applicable.

**NEW** Q28: If a program that funds the replacement of heavy-duty diesel vehicles with cleaner vehicles is awarded, will the grant conditions include similar requirements as those included in Diesel Emissions Reduction Act (DERA) grants? For example, will the award include specific engine model years that are eligible for replacement? ADDED January 25, 2024.

A28: The CPRG program is not bound by the conditions or restrictions of other grant programs, including DERA funding. See <u>2 CFR § 200.319</u> and pages 9 and 10 of the <u>Best Practice Guide for Procuring Services</u>, <u>Supplies</u>, <u>and Equipment Under EPA Assistance Agreements</u> for information on applicable procurement policy.

NEW Q29: With regards to disadvantaged communities, as mapped by EPA, do the projects have to be within those specific census tracts or do they have to provide demonstrated benefits to people living on those census tracts? Is there any preference between these two approaches? ADDED January 25, 2024.

A29: As explained in Section IV.B. on page 35 of the NOFO, CPRG implementation grant applications will be evaluated on their "expected benefits and/or avoided disbenefits to low-income and disadvantaged communities from the proposed GHG reduction measures." Applicants are required to include a list of the CEJST Census tract IDs or EPA's EJScreen Census block group IDs and name of the relevant jurisdiction (e.g., city, town, etc.) for areas that may be affected by the proposed GHG reduction measures in their application. Projects do not necessarily have to be located in the census tracts of a low-income and disadvantaged community to affect them. Section IV.B., page 36 of the NOFO explains that "GHG reduction measures may benefit low-income and disadvantaged communities in a broad geographic area." There may be instances where GHG reduction measures in a region provides downstream benefits to communities outside of its jurisdiction. Therefore, applicants should list all low-income and disadvantaged communities expected to be impacted by their proposed measures.

**NEW** Q30: Is early implementation of measures that will be required by EPA under future regulations eligible, if completed prior to the effective date of applicable regulations? **ADDED January 25, 2024**.

A30: No, using CPRG funds to aid regulated entities (e.g., subaward from a state to private entity) to comply with EPA regulatory requirements is not an eligible activity under this program (see page 22 of the NOFO).

#### IV. Contracts, Subawards, and Participant Support Costs

Q1: Can an applicant applying as an individual applicant make subawards to other eligible applicants, non-eligible entities, and contractors? If so, what requirements apply to subawards?

A1: Yes, an individual applicant that is awarded an implementation grant may procure contractual support and/or issue subawards to subrecipients to carry out a portion of the grant project as described in Appendix A of the NOFO.

A contract (as described in 2 CFR § 200.331) is for the purpose of obtaining goods and services for the grant recipient's own use and creates a procurement relationship with the contractor. Grant recipients that enter into procurement contracts must comply with the applicable procurement provisions in 2 CFR § 200.317 through 200.327.

Grant recipients may make subawards to subrecipients to carry out a portion of the grant project; in such case, the grant recipient is also known as a "pass-through entity." Subawards establish a financial assistance relationship under which the subrecipient's employees and contractors implement programs and projects to accomplish the goals and objectives of the grant. It is important to bear in mind that subrecipients are subject to the same federal requirements as the pass-through entity. Under this competition, a non-federal entity is eligible to receive a subaward even if it is not eligible to receive a grant from EPA directly. If a recipient chooses to pass funds from its grant to other entities through subawards, the recipient must comply with applicable subaward provisions of 2 CFR Part 200, the EPA Subaward Policy, and EPA's General Terms and Conditions for Subawards.

Q2: Could a non-profit group be paid with CPRG planning grant money to write an implementation grant for a public agency?

A2: Funds from the CPRG planning grants must go toward completing the required deliverables established in the Planning Grant Program Guidance. While grantees may sub-award planning grant funds to non-profits and may procure contractors to support the development of the CPRG planning grant deliverables, sub-awarding planning grants to a non-profit group to write an implementation grant application is not an eligible cost for the planning grants.

Q3: Would a contractor that is working for a CPRG grantee on developing its Priority Climate Action Plan have a conflict of interest that would prevent it from doing work on a GHG reduction measure that is funded by an implementation grant? ADDED November 9, 2023.

A3: Under 2 CFR 200.319(a), the grantee must, to the maximum extent possible, ensure open and free competition when seeking procurement contracts. A contractor working on a Priority Climate Action Plan for a planning grantee is not inherently conflicted from conducting work for an awarded implementation grant. A contractor would be able to compete for implementation work so long as the

contractor did not develop or draft sample language, templates, specifications, requirements, statements/scopes of work, invitations for bids, or requests for proposals that the grantee of an implementation grant will use in a request for proposals for the implementation grant. See 2 CFR 319(b). Also see pages 9 and 10 of the <a href="Best Practice Guide for Procuring Services">Best Practice Guide for Procuring Services</a>, Supplies, and Equipment <a href="Under EPA Assistance Agreements">Under EPA Assistance Agreements</a>, which list circumstances that may indicate restricted competition for grantees seeking procurement contracts.

Q4: Can EPA explain more about what it means by "firms or individual consultants that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements as provided in 2 CFR 200.319(b)"? ADDED November 9, 2023.

A4: Under 2 CFR 200.319(a), the grantee must, to the maximum extent possible, ensure open and free competition when seeking procurement contracts. As indicated in the <u>Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements</u>, EPA interprets 2 CFR 200.319(b) to preclude applicants and recipients from working with, using sample language or templates from, accepting free services from, or hiring any contractors to develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals for procurements if that contractor will be competing for the resultant contract. For example, if a grantee hires a consultant to draft the statement of work for a request for proposal for a procurement contract it is seeking, that consultant cannot also compete for that procurement contract.

Q5: Does a grant applicant or grant recipient need to conduct a competition for participant support costs (PSCs) or subawards? If so, must that competition be done in advance of receiving the grant or can grantees select program beneficiaries after the grant is awarded? ADDED November 9, 2023 and UPDATED December 21, 2023.

A5: PSCs are not competed and subawards do not need to be competed. Grantees may select subrecipients of a subaward and program beneficiaries of PSCs after the grant is awarded.

Under 2 CFR 200.456, grant recipients must obtain prior written approval from EPA's Award Official or another authorized official (typically a Grants Management Officer) to use Agency funds for PSCs. This is met by specifying the amount of PSCs in the recipient's budget narrative and workplan (PSCs go under the 'Other' category). Under 40 CFR Part 5 and 40 CFR Part 7, recipients may not administer EPA funded PSC programs in a manner that discriminates on the basis of race, color, national origin, sex, age or disability. Applicants should review EPA's guidance on Participant Support Costs for more information.

An eligible applicant participating as a member of a coalition would be a subrecipient of the lead applicant for a coalition and must be a signatory of the Memorandum of Agreement (MOA).

Q6: Can a grant recipient subcontract the financial management of grant funds to another entity? For instance, could a lead applicant for a coalition subcontract the financial management function to another entity in the coalition? ADDED December 21, 2023.

A6: Yes, the grant recipient could subcontract the financial management responsibilities of the grant to a subrecipient. However, the grant recipient would remain responsible for ensuring that the funds are used by the subawardee in accordance with Federal statutes, regulations, and the terms and conditions of the grant.

Q7: Can an applicant competitively award subawards to local governments to implement measures? If so, would this competitive process need to occur prior to applying for implementation funding, or could it occur after an application has been awarded? ADDED December 21, 2023.

A7: A grant recipient may competitively award subawards to local governments. Such a competitive process does not need to occur prior to application. If an entity takes this approach, the competitive process must be consistent with applicable statutes, regulations, and the terms of their EPA financial assistance agreement.

Q8: Is the inclusion of indirect costs allowable for subawardees? ADDED December 21, 2023.

A8: Subrecipients receive reimbursement for their actual direct and/or approved indirect costs such that they do not "profit" from the transaction. Subrecipient's indirect cost rate may be a rate negotiated and approved by the subrecipient's cognizant Federal agency (if applicable). If a subrecipient does not have a Federal indirect cost rate, the recipient may negotiate an indirect cost rate with the subrecipient that complies with  $\underline{2 \text{ CFR Part 200, Subpart E}}$ , or use the 10% *de minimis* indirect cost rate described at  $\underline{2 \text{ CFR 200.414(f)}}$ .

**NEW** Q9: Can a state subaward to an entity to implement projects that may extend into a neighboring state? **ADDED January 25, 2024**.

A9: For non-coalition applications, each proposed GHG reduction measure included in the application should align with the scope of the applicant's jurisdiction covered by the PCAP in which the measure is included. In the event that a state wishes to subaward to local governments in an MSA that extends into a neighboring state, such measures must be covered by the applicable MSA PCAP. The applicant will be expected to articulate which party or parties have the authority to carry out each proposed measure or, in the case where they do not currently have authority, provide a clear plan and timeline to obtain it during the grant period.

For coalition applications, the lead applicant for a coalition necessarily involves subawarding to other members of the coalition (e.g. a state which is the lead applicant would subaward to another state). The measures included in a coalition application must be included in the applicable PCAP for each coalition member.

NEW Q10: Are for-profit entities taxed if they receive CPRG grant funds as a subaward? ADDED January 25, 2024.

A10: EPA does not provide guidance on tax-related questions.

## V. Competition Structure

Q1: What size grants can I apply for?

A1: As explained in Section II.B (page 15) of the NOFO, applicants for the general competition can apply for grants ranging from \$2 million to \$500 million:

Tier	Grant Ranges	Funds Targeted for Each Tier	Anticipated Number of Grants to be Awarded
Tier A	\$200,000,000 – \$500,000,000	\$2 billion	4-10
Tier B	\$100,000,000 – \$199,999,999	\$1.3 billion	6-13
Tier C	\$50,000,000 – \$99,999,999	\$0.6 billion	6-12
Tier D	\$10,000,000 – \$49,999,999	\$0.3 billion	6-30
Tier E	\$2,000,000 – \$9,999,999	\$0.1 billion	10-50

Q2: How many applications can an eligible applicant submit? Is there an application limit per tier?

A2: Each eligible applicant is limited to submitting two grant applications in total for this competition: one as an individual applicant, and one as the lead applicant for a coalition. Such applications may be in the same or in different tiers. Applicants may participate in more than one coalition but may only serve as lead applicant for one coalition (see Section III.A of the NOFO).

Q3: Can two entities submit separate applications to fund the same measure?

A3: As a threshold matter, EPA does not prohibit two eligible applicants from applying to fund the same measure. However, EPA will not award multiple grants to implement the same measure in the same location (e.g., a state and municipality will not both receive a grant to implement a particular measure from the state's PCAP in the municipality; either the state or the municipality may receive the grant, but not both). Therefore, EPA strongly recommends that entities that may be considering applying for funding to implement similar measures communicate and coordinate prior to submitting applications.

EPA **does** prohibit a group of eligible applicants applying as a coalition from submitting multiple applications for the same set of GHG reduction measures using different lead applicants (page 22 of NOFO).

Q4: The NOFO states that EPA will not award multiple grants to implement the same measure in the same location. Can you clarify what you mean by "same location," i.e., does that mean the same city, same MSA, same state?

A4: EPA will not fund duplicative work, i.e., multiple grants cannot fund the same measure being implemented in the same exact or overlapping geographic vicinity. For example, if the lead organization for an MSA applied to implement a measure across all jurisdictions in the MSA and a municipality within that same MSA applied to implement the same measure within their municipality, EPA would not fund both applicants as there would be an overlapping geographic scope for the same measure. However, if two eligible entities (e.g., cities or counties) within the same MSA or same state applied to implement the same measure only within their own boundaries and there was no overlap of geographic area, then both applications could receive funding (if both ranked highly enough to be recommended for funding).

Q5: Are different types of eligible entities competing for the same grants (e.g., applications from cities against applications from state agencies, etc.)?

A5: Yes, applications from all eligible applicants will compete within a given tier regardless of entity type. As explained in Section II.B of the NOFO, EPA has established the five tiers of grant ranges to reflect differences in the scope, scale, and cost of GHG reduction measures. These tiers are intended to help applicants structure their applications to best reflect the cost of their proposed measures and their ability to implement the grant. The total grant amount requested in an application will determine the

tier within which the application will be evaluated. Applications will be evaluated against other applications within the same tier.

Q6: Will EPA partially fund an implementation grant application? Would my application compete in a separate tier if it is partially funded? ADDED October 23, 2023.

A6: EPA intends to evaluate and make selections for award based on applications <u>as a whole</u>. If an application includes multiple GHG reduction measures, EPA does not intend to evaluate and score each measure individually. Therefore, applicants should include only those measures that are eligible and responsive to the criteria in the NOFO.

In general, EPA does not intend to partially fund applications or to move applications among tiers. In limited circumstances, however, EPA reserves the right to partially fund an application. If EPA decides to do so, it will do so in a manner that does not prejudice any applicants or affect the basis upon which the application was evaluated and selected for award (see Section II.C of NOFO).

Q7: What does EPA mean by "EPA anticipates awarding no more than two grants to applicants at the same level of government within a single jurisdiction"? Would EPA only award two grants total to local governments in a state? ADDED November 9, 2023.

A7: In Section V.B of the NOFO (page 55), EPA explains that *EPA anticipates awarding no more than two grants to applicants at the same level of government within a single jurisdiction (e.g., a single state, municipality, Tribal area, or territory).* This means that EPA anticipates that:

- Within a single state, no more than two state-level applications would be awarded a grant.
- Within a single municipality, no more than two municipal applications would be awarded a grant.
- Within a single Tribe, no more than two Tribal applications would be awarded a grant.
- Within a single territory, no more than two territorial applications would be awarded a grant.

It is possible that more than two municipalities or Tribes in a state or territory may receive implementation grants. Also, as coalitions may be comprised of geographically diverse entities, these targets do not necessarily apply to coalition applications. In addition, as stated in the NOFO, EPA anticipates making selections to ensure diverse geographic coverage of CPRG implementation funding across the different funding tiers. As stated on page 55, EPA reserves the right to exceed the targets outlined above in the event that there is an inadequate number of meritorious applications from entities in other jurisdictions.

NEW Q8: How would EPA handle a situation where a state and MSA both submit applications for implementation grants. The state submits a collection of 10 measures, the MSA submits a collection of 7 implementation measures, and 2 measures overlap between the two submittals. Would EPA eliminate the overlapping measures from both proposals, or award one and not the other, or some other approach? ADDED January 25, 2024.

A8: EPA intends to evaluate and make selections for award based on applications as a whole. According to page 7 of the NOFO, "EPA will not award multiple grants to implement the same measure in the same location." Therefore, if both applications in the scenario above received sufficiently high evaluations to be selected for award and there are two or more measures that overlap, EPA would only award funding to one of the applications. EPA strongly recommends that entities that may be considering applying for funding to implement similar measures communicate and coordinate prior to submitting applications.

In limited circumstances, EPA reserves the right to partially fund an application. If EPA decides to do so, it will do so in a manner that does not prejudice any applicants or affect the basis upon which the application was evaluated and selected for award (see Section II.C of NOFO).

## VI. Evaluation and Awards

Q1: What are the differences between the two NOFOs? If Tribes and territories are considering whether to apply to both NOFOs, what do they need to know?

A1: Tribes and territories may apply to both the general competition and the competition only for Tribes and territories. Note that to participate in the general competition, Tribes and territories will have to meet the requirements of the general competition. Importantly, to compete in the general competition, the PCAP on which any Tribal or territorial implementation grant application is based must be submitted to EPA by March 1, whereas to compete in the Tribes and territories competition, the PCAP on which their implementation grant application is based must be submitted to EPA by April 1.

In addition, the evaluation criteria for the two competitions are different and the workplan can be up to 25 pages for the general competition, whereas the workplan is limited to 15 pages for the Tribes and territories competition application. The general competition has five funding tiers with grant awards ranging from \$2 million to \$500 million, whereas the tribal competition has three funding tiers with grant awards ranging from \$1 million to \$25 million. These are some of the major differences between the two competitions.

Q2: What is EPA's process for scoring the applications and awarding the grants?

A2: The evaluation criteria and selection process are explained in Section V of the NOFO. Applications will first be evaluated against the threshold factors listed in Section III.C. of the NOFO. Only those applications that meet all of the threshold factors will be evaluated by a review panel using the evaluation criteria in the NOFO. Each eligible application will be given a numerical score and will be rank ordered by the review panel against other applications in the same funding tier. For this general competition, EPA will have five funding tiers as described in Section II.B. EPA intends to make awards to top ranked applications in each tier. Preliminary funding recommendations will be provided to the EPA selection official based on the panel reviews and rankings. Final funding decisions will be made by the EPA selection official based on 1) the rankings and preliminary recommendations of the EPA evaluation team, and 2) the other factors listed in Section V.C.

Q3: My state/city has its own definition of low-income and disadvantaged community. Can we use that definition instead of EPA's definition? Will an applicant only receive partial points if their definition is more expansive or inclusive than the EJ Screen or CEJST tool?

A3: Applications should discuss and quantify, where possible, direct and indirect benefits and potential disbenefits to low-income and disadvantaged communities (see Section IV.B of the NOFO). EPA recognizes that some applicants may have state-specific or other definitions of low-income and disadvantaged communities. However, applicants for CPRG implementation grants must use EPA's definition as described on pages 11-12 of the general competition NOFO. For the purposes of this NOFO,

EPA defines a low-income and disadvantaged community as any community that meets at least one of the following characteristics:

- Any census tract that is included as disadvantaged in the Climate and Economic Justice Screening Tool (CEJST);
- Any census block group that is at or above the 90th percentile for any of EJScreen's Supplemental Indexes when compared to the nation or relevant state; or,
- Any geographic area within Tribal lands as included in EJScreen.

As stated under evaluation criterion 4 for "Low-income and Disadvantaged Communities" (Section V.A of the NOFO), applications will be evaluated and scored on how they discuss, and quantify, if possible, the benefits to communities meeting EPA's definition.

Q4: How can I access CEJST and EJScreen data for identifying low-income and disadvantaged communities?

A4: EPA has provided a map layer and the underlying data for this layer that identifies all communities across the country that meet EPA's definition. The EJScreen mapping tool is available at: https://ejscreen.epa.gov/mapper/. To locate the map layer displaying areas that meet the EPA definition of low-income and disadvantaged communities, go to the "Places" Tab, then select "Justice40/IRA" from the drop-down menu, and then select "EPA IRA Disadvantaged Communities." The underlying data for this layer are available for download <a href="here">here</a>. The database includes all U.S. census tracts and those designated as disadvantaged and is available in two formats: text file (.csv) and geodatabase file (.gdb). An ArcGIS map identifying EPA IRA disadvantaged communities is available <a href="here">here</a>. CEJST data is available for download <a href="here">here</a>.

Q5: Will Tribes need to discuss and calculate benefits to low-income and disadvantaged communities if applying under the general competition?

A5: As described on page 35 of the general competition NOFO (describing section 4 of the work plan), applications should discuss and quantify, where possible, direct and indirect benefits and potential disbenefits to low-income and disadvantaged communities.

Federally recognized Tribes meet the definition of disadvantaged communities for the purposes of the CPRG grant program (page 11-12 of the NOFO). Therefore, a Tribal application to the general competition should include Tribal community benefits that would result from implementation of the measures.

Q6: If we do not have a history of managing EPA grants, will that negatively affect the points we get for criteria 6.a (past performance) and 6.b (reporting requirements)? Will this effectively disqualify our application or limit our chances to secure CPRG grant funding?

A6: If your organization does not have a history of managing EPA grants, it will not disqualify your application. Page 54 of the general competition NOFO, under section 6, "Programmatic Capability and Past Performance," states: "If the applicant does not have any relevant or available past performance or reporting information, please indicate this in the application. The application will receive a neutral score for criteria 6.a and 6.b. A neutral score is 5 points of 10 possible points for each criterion. If the applicant does not provide any response for these items, they may receive a score of 0 for these criteria."

Applicants may also include information describing their programmatic capability and past performance in managing assistance agreements funded by other federal or non-federal entities.

Q7: EPA provides templates for several of the required deliverables (e.g., Cover Page, Budget Table, etc.). Am I required to use these resources in my application?

A7: No, you are not required to use these templates for your application. Use of these example templates is optional. However, we do encourage the use of these example templates to help expedite EPA's application review process.

Q8: Where should I send a question about the Evaluation Criteria or other application requirements?

A8: Questions regarding all aspects of the CPRG implementation grants NOFOs (including evaluation criteria and required application requirements) should be directed to the EPA email address: <a href="mailto:CPRG@epa.gov">CPRG@epa.gov</a>. EPA will update this Q&A document on a regular basis with the responses to incoming questions. EPA does not intend to respond to each email individually.

Q9: EPA provides a list of GHG reduction measures in the general competition NOFO. Are these the only measures that EPA will fund under this program?

A9: On pages 9-11 of the NOFO, EPA provided a list of *example* GHG reduction measures in six key sectors. This list is neither exhaustive nor definitive with respect to the measures that may be included in competitive applications under the general competition NOFO. These are not the only measures that EPA will consider eligible for funding under CPRG implementation grants. Applicants should consider the evaluation criteria in Section V.A when deciding on which measure or measures to include in their applications."

Q10: What types of applicant diversity will be considered in the selection process? Do you hope to make awards in all 50 states?

A10: EPA anticipates awarding no more than two grants to applicants at the same level of government within a single jurisdiction (e.g., a single state, municipality, tribal area, or territory). In addition, EPA will make selections to ensure diverse geographic coverage of CPRG implementation funding across the different funding tiers. However, EPA reserves the right to exceed these targets in the event that there is an inadequate number of meritorious applications from entities in other jurisdictions.

In making the final funding decisions, the EPA selection official may also consider certain programmatic priorities and the geographic diversity of awardees. Additional consideration may be given to making awards that advance the Justice40 Initiative, provide GHG reduction measures in key sectors, and/or provide greater diversity in the types of entities receiving CPRG implementation funds (e.g., state agencies and departments, municipal agencies and departments, Tribal and territorial agencies and departments). Once final decisions have been made, a funding recommendation will be developed and forwarded to the EPA award official (Section V.B and C of the NOFO).

At this time, EPA does not have any specific commitment to make awards in all 50 states, but EPA expects that the awarded grants will reflect substantial geographic diversity.

Q11: Do I need to quantify criteria air pollutant (CAP) and hazardous air pollutant (HAP) emissions impacts in the application?

A11: While quantified CAP and HAP emissions estimates are not required for the application, applicants should **list** CAP and HAP emissions reductions in general and in low-income and disadvantaged communities in particular as expected outcomes in section 3 of the workplan if they are expected from the proposed measures in the application. Such applications should qualitatively list CAP or HAP reductions or, where possible, quantify CAP and HAP emissions reductions in section 4 of the workplan.

Implementation grantees will be expected to quantify CAP and HAP reductions in general and in low-income and disadvantaged communities in particular one year after receiving the grant (See Section VI.B. of the NOFO).

Q12: Do I need to quantify GHG emissions impacts in the application?

A12: Yes, EPA will be assessing applications on the magnitude of GHG emission reductions estimated for the proposed measures.

Q13: How will EPA be evaluating the magnitude of GHG emission reductions? Will it be considering the relative reductions achieved for the entities? For instance, a city or tribe has fewer emissions than a state. Some states have done more already to reduce emissions. Would they be at a disadvantage?

A13: Under evaluation criteria 2.a and 2.b, EPA will evaluate applications on the magnitude of GHG reductions achieved, regardless of the entity. This is in keeping with the programmatic priorities to reduce near-term GHG emissions contributing to climate change.

As explained in Section II.B of the NOFO, EPA has established tiers to reflect differences in scope, scale, and cost of GHG reduction measures. Applications will be evaluated against other applications in the same tier. As explained in Section V.C, in making the final funding decisions, the EPA selection official may also consider certain programmatic priorities and the geographic diversity of awardees. Additional consideration may be given to making awards that advance the Justice40 Initiative, provide GHG reduction measures in key sectors, and/or provide greater diversity in the types of entities receiving CPRG implementation funds (e.g., state agencies and departments, municipal agencies and departments, Tribal and territorial agencies and departments).

Q14: How will applicants be expected to demonstrate that they have explored federal and non-federal funding sources that are alternatives to the CPRG? For example, would an applicant need to have applied and been rejected by another IRA or BIL grant program, or would it be sufficient for the applicant to provide a general discussion of other funding sources they looked at and considered (but did not apply for)? ADDED October 23, 2023 and UPDATED October, 30, 2023.

A14: As explained in section 1b of the workplan, applicants must demonstrate a strong need for CPRG implementation funding that is unmet by other funding sources. Applicants should explain if and how they have explored the availability of other federal and state grants, tax incentives, and other funding sources to implement their GHG reduction measures and why these sources are not sufficient. The application should include a list of federal and non-federal funding sources (e.g., EPA's GHG Reduction Fund Solar for All program) that the applicant has applied for, and indicate whether or not they secured funding, or expect to secure funding from those sources to implement the GHG reduction measures. For GHG reduction measures for which the applicant has secured partial funding, which may include tax incentives, the applicant should explain why CPRG funds are also needed. Applicants should review

funding opportunities on the White House BIL Guidebook and IRA websites prior to applying under this announcement. Where applicants identified other funding sources but did not pursue those sources, the applicant may explain their reasoning. The implementation grants NOFO does not require that applicants must have applied to another grant program and been rejected in order to apply to CPRG.

Q15: How is EPA defining "high-quality jobs"? What are "short-term" versus "long-term" jobs? ADDED November 9, 2023.

A15: Applicants should review the eight <u>Good Jobs Principles</u> developed by the U.S. Department of Labor (page 38 of the NOFO). Key characteristics of a high-quality job include family-sustaining wages and benefits, the free and fair choice to form or join a union, and an emphasis on worker health and safety. The Good Jobs Principles describes good jobs as those where workers have job security, adequate hours and predictable schedules, and where temporary or contractor labor solutions are minimized. Furthermore, good jobs are those where workers have equitable opportunities to progress to future good jobs within their organizations or outside them; and where workers have transparent advancement opportunities and access to quality training and education.

Workforce development activities included in the application should focus on career pathways to high-quality jobs that enable economic mobility, rather than short-term, low-wage jobs (e.g., short-term seasonal, contract, or otherwise temporary employment). The goal of workforce development programs should be to improve the long-term economic wellbeing of the participant. As such, retention of participants in training programs and on the job is an important objective. Furthermore, workforce development programs should include strategies for including individuals with barriers to obtaining and retaining a job. Applications may request funding for supportive services, such as transportation and childcare. Workforce development programs should partner with employers, labor unions, and other similar organizations that are committed to interviewing, hiring, retaining, and mentoring participants.

The Department of Labor has produced several resources that can help potential applicants understand the Good Jobs Principles and implement them through federal funding programs including: <u>Good Jobs in Federal Investments</u>: <u>A Toolkit for Employers, Workers, and Government</u>; <u>Good Jobs Initiative Job Quality Check List</u>; <u>Good Jobs In Federal Investments</u>: <u>Data and Reporting Appendix</u>.

Q16: How does EPA define "equitable workforce development"? ADDED November 9, 2023.

A16: Equitable workforce development means creating workforce development opportunities that are broadly available and accessible to all individuals in low-income and disadvantaged communities regardless of income, race, color, national origin, Tribal affiliation, disability, or any other non-merit factor. Equitable workforce development activities may consider the barriers to training, employment, and job retention participants may face and incorporate appropriate supports for participants to address those barriers. Equitable workforce development may focus on outreach and recruitment to all individuals from low-income and disadvantaged communities. Finally, equitable workforce development should focus on providing high-quality job opportunities where workers have a safe, healthy, and accessible workplace and where they are free from harassment and discrimination at work, in keeping with the Department of Labor Good Jobs Principles.

Q17: How does EPA define "middle-skilled careers," and is there a list of such careers? ADDED November 9, 2023.

A17: EPA considers middle-skilled careers as those that require education and training beyond an entry-level job. Middle-skill careers often require an industry-recognized credential. These are careers that

enable upward economic mobility and strong middle-class wages, including for those without a college degree.

EPA does not provide an exhaustive list of middle-skilled careers. In addition to industry-recognized credentials, wages and benefits are important metrics for the quality of a job. Applicants may consider reviewing data from the U.S. Department of Labor's Bureau of Labor Statistics on wage data by area and occupation.

EPA highlights <u>Registered Apprenticeships</u> as an example of a high-quality training model that promotes entrance into middle-skilled careers. Registered Apprenticeship Programs are industry-led and aligned with employer needs; provide structured learning and mentorship opportunities; are paid jobs with progressive wages; and allow participants to earn a portable, nationally-recognized credential within their industry.

Q18: How "shovel ready" do measures in implementation grant applications need to be? Will projects be scored higher if they can demonstrate speedy implementation? <u>ADDED November 9, 2023</u>.

A18: Any measure proposed for funding under the CPRG implementation grants general competition must be included in a Priority Climate Action Plan (PCAP), a narrative report due on March 1, 2024, that includes a focused list of near-term, high-priority, implementation-ready measures to reduce GHG pollution. Implementation grants awarded under this program will have an estimated period of performance of up to five years with the estimated project start date for awards of October 1, 2024 (see Section II.F of the NOFO).

As explained in Section I.B of the NOFO, EPA encourages applicants to seek funds for GHG reduction measures that will significantly reduce cumulative GHG emissions by 2030 and beyond and that will accelerate decarbonization across one or more major sectors responsible for GHG emissions. EPA will score grant applications based on multiple evaluation criteria described in Section V.A of the NOFO with an emphasis on the magnitude of near-term GHG reductions that will be achieved by the proposed measures. As explained in evaluation criteria 2 in Section V.A of the NOFO, applications will be evaluated on the magnitude of cumulative GHG emission reductions and the durability of the reductions to be achieved from 2025 through 2030 and from 2025 through 2050.

In evaluation criterion 1.c, EPA will also evaluate applications on the extent to which the proposed GHG reduction measures have the potential to create transformative opportunities or impacts that can lead to significant additional GHG emissions reductions (page 32-33 of the NOFO).

Finally, in evaluation criterion 3.c, EPA will evaluate each application on the extent to which it provides a detailed implementation timeline for each measure, including key milestones for specific tasks, and discusses the key actions needed to meet the projects goals and objectives by the end of the grant period.

Q19. What is considered cost effective (in terms of dollars per CO2e reduced)? Is there a standard we should be striving for? ADDED November 9, 2023.

A19: EPA does not have a threshold or recommended cost per dollar of CO2e reduced. As discussed under evaluation criterion 2.c in Section V of the NOFO, each application will be evaluated on the quality of the response and the:

- Cost effectiveness of the GHG reduction measures in terms of the CPRG implementation grant dollars requested divided by cumulative GHG metric ton of CO2-equivalent emission reductions to be achieved from 2025 through 2030 for the set of measures in the application, and
- Qualitative narrative explaining any factors that may affect the cost-effectiveness calculation.

As explained in Section II.B of the NOFO, EPA has established tiers to reflect differences in scope, scale, and cost of GHG reduction measures. Applications will be evaluated against other applications in the same tier.

Q20. Will we need a Quality Assurance Project Plan (QAPP) for projects funded with implementation grant funds? ADDED November 9, 2023.

A20: A QAPP is required for all projects funded by EPA that involve collection and/or use of environmental data. For more information see <a href="Frequently Asked Questions about EPA's Quality Program">Frequently Asked Questions about EPA's Quality Program</a>.

Q21. Please expand upon your guidance on Part V, Question 4 above, which states "EPA will not fund duplicative work, i.e., multiple grants cannot fund the same measure being implemented in the same exact or overlapping geographic vicinity." ADDED November 9, 2023.

A21: EPA will not fund duplicative work, i.e., two entities may not both receive funding if they would spend funds on the same or overlapping measures. Additional examples of applications that would be considered duplicative or not considered duplicative are listed below.

## **Examples of Duplicative Work:**

- A grant to build heavy-duty electric vehicle charging at locations A, B, and C and a grant to build heavy-duty electric vehicle charging at locations A and B.
- A grant to reduce methane emissions by capping landfills across an entire state and a grant to reduce methane emissions by capping a specific landfill in a municipality also included on the state's list of landfills.
- A grant to install energy efficient heat pump water heaters in households at or below the
  federal poverty line and a grant to another department in the same jurisdiction to perform
  comprehensive energy efficiency upgrades including installing heat pump water heaters in
  households at or below 150% of the federal poverty line.

## Examples of Non-Duplicative Work:

- A grant to reduce emissions from heavy-duty vehicles in Jurisdiction A by building heavy-duty electric vehicle charging and a grant to reduce emissions from heavy-duty vehicle in Jurisdiction A by providing rebates for electric heavy-duty vehicles.
- A grant to a coalition of local governments to reduce methane emissions by capping landfills in one part of the state and a grant to a different coalition of local governments to reduce methane emissions from landfills in a different part of the state, with no landfill appearing on both lists.

 A grant to a jurisdiction's housing authority to pay for residential energy efficiency projects and a grant to a jurisdiction's economic development department to pay for commercial energy efficiency projects.

EPA does not prohibit two eligible applicants from applying to fund duplicative work as each application would be reviewed independently. However, EPA will not award multiple grants to implement the same work in the same location. Further, EPA does not intend to partially fund applications. Therefore, EPA strongly recommends that entities that may be considering applying for funding to implement similar measures communicate and coordinate prior to submitting applications.

Note: In limited circumstances, EPA reserves the right to partially fund an application. If EPA decides to do so, it will do so in a manner that does not prejudice any applicants or affect the basis upon which the application was evaluated and selected for award (see Section II.C of NOFO).

Q22: How can we meaningfully engage with communities throughout this process? ADDED December 21, 2023.

A22: EPA has compiled a number of <u>resources</u> to provide awardees with information on meaningful engagement with impacted communities from project inception through implementation. <u>The "Capacity Building Through Effective Meaningful Engagement" booklet</u> is a tool intended to help create or expand plans for building trust and engaging meaningfully with communities. EPA also provides other resources and webinar recordings on meaningful engagement with communities on our CPRG website at <a href="https://www.epa.gov/inflation-reduction-act/climate-pollution-reduction-grants">https://www.epa.gov/inflation-reduction-act/climate-pollution-reduction-grants</a>.

Q23: Can you expand upon your expectations for quantifying GHG emissions reductions? What level of detail is required? Is an estimate of percent reduction in general sufficient? ADDED December 21, 2023.

A23: Information regarding the required documentation of GHG reduction assumptions, as outlined in Criteria 2 of the evaluation criteria, can be found in Appendix C of the NOFO. Applicants must submit documentation for their estimates of both annual and cumulative GHG emission reductions for each proposed measure and the estimated cost per metric ton of CO2-equivalent GHG reductions to be achieved from 2025 through 2030 for the measures in the application. The GHG reductions estimates must be provided in metrics tons of carbon dioxide equivalent, not a percentage reduction.

EPA offered a training on December 18, 2023 on the "Documentation of GHG Reduction Assumptions" to help potential CPRG implementation grant applicants. When published, a link to the recording of this webinar will be available at: <a href="https://www.epa.gov/inflation-reduction-act/about-cprg-implementation-grants#Training">https://www.epa.gov/inflation-reduction-act/about-cprg-implementation-grants#Training</a>.

Q24: What is the allowable percentage for administrative costs for the CPRG implementation grants? ADDED December 21, 2023.

A24: EPA does not provide a specific limit on the percentage of funds that may be allocated for administrative costs. However, as explained in section 7 of the workplan and evaluation criteria, applications will be evaluated on the proposed budget. Specifically, an application will be evaluated on the quality of the response and extent to which the proposed grant expenditures are reasonable for accomplishing the proposed goals, objectives, and measurable environmental outcomes described in the application.

Q25: Which values for Global Warming Potential (GWP) should we use when calculating GHG emissions? ADDED December 21, 2023.

A25: As explained in Appendix B, applicants should use Global Warming Potential (GWP) values from the 2013 IPCC AR5 Fifth Assessment Report. A table of these values can be found in Appendix B of the NOFO.

Q26: Do the data generated in the Optional Budget Table complement the SF-424 (i.e., do the data easily transfer from the table to the SF-424)? ADDED December 21, 2023.

A26: The Optional Budget Table included as an attachment on the <u>CPRG implementation grants</u> <u>webpage</u> complements the SF-424A "<u>Budget Information for Non-Construction Programs</u>" budget categories. The calculations in the optional spreadsheet can be used to accurately calculate the budget numbers that applicants include in their SF-424A and total amounts in the SF-424.

NEW Q27: Does EPA have a tool or technical resource available for evaluating and quantifying the avoidance of imminent emissions resulting from the conversion and loss of coastal habitats due to sea level rise? ADDED January 25, 2024.

A27: EPA's National Greenhouse Gas Inventory includes information on emissions from coastal wetlands. Please see <a href="Chapter 6">Chapter 6</a> of the US National GHG Inventory (pages 6-96 through 6-119) for a discussion of emissions related to wetlands. Additional information on calculating emissions from wetlands and wetland conversion is available in Section 4: Coastal Wetlands of the <a href="IPCC 2013 Wetlands Supplement">IPCC 2013 Wetlands Supplement</a>.

**NEW** Q28: If limited or incomplete data is used in the PCAP, could that potentially weaken an implementation grant application? If an applicant makes a good faith effort to calculate emissions, reductions, and benefits to the best of their ability – but those calculations are limited/incomplete due to the data – will their implementation grant application score be reduced? ADDED January 25, 2024.

A28: The PCAP is required to include estimates of expected GHG emissions reductions in order to assist CPRG planning grantees and other jurisdictions in assessing and prioritizing actions to include in applications for CPRG implementation grants or to implement through other mechanisms. Scoring of an implementation grant application will be based solely on the information provided in the application itself. The quality of calculations in the PCAP are not per se part of the scoring evaluation for the implementation grant application. Limited or incomplete data or documentation of the calculations in the implementation grant application, however, may impact the scoring of Criteria 2: Impact of GHG Reduction Measures, as it is up to the applicant to demonstrate the quality, thoroughness, reasonableness, and comprehensiveness of the methodology, assumptions, and calculations included in their application.

NEW Q29: The CPRG Implementation Grant NOFO outlines that emission reductions must be scaled based on the percentage of measure cost covered by CPRG. Does this apply to incentive programs or rebates that, by definition, do not cover all of the eventual project costs, or just for specific projects or programs that also receive an already known percentage of other federal funds? ADDED January 25, 2024.

A29: Applications should scale the estimated GHG emission reductions attributed to the CPRG funding by the ratio of CPRG funding to total funding to implement the GHG reduction measure. In this example, the GHG reduction measure is an incentive program or rebate program. The total measure funding

should include the total funding used to administer the GHG reduction measure (in this case, the incentive or rebate program), including federal and state funding. The reductions do not need to be scaled to reflect costs outside of the program (e.g. the full cost of the equipment purchased by a consumer that is receiving the rebate).

For example, if an applicant is applying a CPRG grant to establish a new program that provides rebates for heat pumps and does not supplement that program with any state or federal funds, the applicant could claim 100% of the GHG emissions reductions resulting from the program (i.e., the GHG reductions from the total number of heat pumps installed that receive rebates under the program) — even though the rebate does not cover the entire cost of purchasing and installing a heat pump.

Conversely, if an applicant is applying to expand an existing program that provides rebates for heat pumps and the requested CPRG funds would double the budget of that existing program, the magnitude of GHG reductions attributable to the CPRG should be half of total GHG reductions from the total expanded program. In practice, the applicant could take two different approaches for addressing this example GHG reduction measure scenario: 1) Multiply total estimated rebate program emission reductions by 0.5 (based on the 50/50 ratio of funding sources); or 2) provide an emission reduction estimate based solely on the portion of the expanded program that would be funded by a CPRG grant (e.g., based on the incremental number of rebates that would be provided under the existing program through the use of CPRG grant funds).

**NEW** Q30: Will EPA accept approvals and dates for "pre-award authority" from other agencies (such as FTA for the procurement of vehicles)? What would we need to do to get approval from EPA on pre-award expenses that are greater than 90 days prior to the award? **ADDED January 25, 2024**.

A30: As outlined on page 16 of the NOFO, "EPA award recipients may incur allowable costs 90 calendar days before EPA makes the award. Pre-award expenses more than 90 calendar days prior to the date of award require prior approval by EPA." As the CPRG grants are offered via an EPA grant program and not an FTA grant program, the applicant would need approval from EPA as outlined in EPA's grant regulations (as described in 2 CFR 1500.9) to incur expenses more than 90 calendar days prior to the date of award. Any pre-award expenses incurred are at the grantee's risk before the grant is awarded.

NEW Q31: Would the projects that receive a grant award under CPRG be required to undergo environmental review via the National Environmental Policy Act (NEPA)? If so, what federal authorities does EPA have, if any, to help navigate or avoid NEPA and the time constraints associated with it? ADDED January 25, 2024.

A31: Projects funded under this competition are not subject to NEPA because NEPA does not apply to projects funded under the Clean Air Act. An applicant should contact their appropriate state or local agency if they have questions regarding whether a proposed project is subject to state or local environmental reviews.

**NEW** Q32: Can you please tell me how measurement and verification will occur for CPRG competitively funded projects? How will the projects and measurements be verified? **ADDED January 25, 2024**.

A32: Once selected for award, grant recipients must meet the reporting requirements outlined in Section VI.B of the NOFO. Grant recipients are required to submit semi-annual progress reports summarizing technical progress, accomplishments, and milestones achieved, planned activities for the next six months, a summary of expenditures to date, and progress on community engagement. One year after grant award, the grant recipient must provide a report that quantifies benefits to low-income and disadvantaged communities, including changes in co-pollutant emissions. Each recipient is also expected to provide a detailed final report at the close of the funding period outlining the GHG reduction measures implemented, outputs and outcomes achieved, and costs of the measures, total GHG emissions and other pollutants reduced, a summary of community engagement, and to discuss the problems, successes, and lessons learned.

**NEW** Q33: What are EPA's expectations for recipient reporting, property management oversight, or other ongoing obligations beyond the end date of the performance period? **ADDED January 25, 2024.** 

A33: The estimated project start date for awards is October 1, 2024, and the estimated period of performance for awards resulting from this solicitation will be up to five years. Implementation grant applicants will be assessed on the durability of the emissions reductions of their projects by 2030 and 2050. Selections will be made with the expectation that the anticipated outputs and outcomes specified in each application will be achieved.

NEW Q34: Section II.F. of the NOFO states "The estimated period of performance for awards resulting from this solicitation will be up to five years." Does this mean that all of the funds must be spent by the end of this period of time or if all of the funds only have to be obligated by then? Does the project need to be completed at the end of the 5 years? What is the definition of "expended"? Could the grant go to an endowment? ADDED January 25, 2024.

A34: All project activities are to be completed during the period of performance and all funds must be spent by the end of the period of performance. See *Period of Performance* definition under <u>2 CFR 200.1</u>. Grantees have up to 120 days after the period of performance to draw down their funds for activities that were conducted during the period of performance. Grantees may request no cost extensions to their award to extend the period of performance (see <u>2 CFR 200.308(e)(2)</u>) if the grantee needs more time due to unforeseen circumstances.

Grantees cannot put the money in an endowment. Applicants should review the definition of "Expenditures" under <u>2 CFR 200.1</u> and the "Financial" section of <u>EPA's General Terms and Conditions</u>, which applies to all EPA grants. Grantees can only draw down funds for the minimum amount needed for actual and immediate obligations, and can only drawdown within 5 business days of an obligation. The money remains in EPA's accounts until the grantee draws down funds.

**NEW** Q35: For Waste and Sustainable Materials Management projects, can we use EPA's WARM model to calculate the GHG reductions? **ADDED January 25, 2024**.

A35: The Waste Reduction Model (WARM) is a tool developed and managed by EPA's Office of Land and Emergency Management. Yes, applicants may use the WARM tool or other tools to estimate GHG reductions.

NEW Q36: How will grantees receive funding for awarded implementation grants? Can funds be requested from EPA in advance of expenses incurred to facilitate effective cashflow to support the project or will grantees be required to incur costs prior to seeking reimbursement from EPA? For contractual items listed in the budget, are they reimbursable or will funding be provided upfront? ADDED January 25, 2024.

A36: Successful applicants will be awarded funding as a grant. Awards will be fully funded at the start of the grant period. EPA award recipients may incur allowable costs 90 calendar days before EPA makes the award. Pre-award expenses more than 90 calendar days prior to the date of award require prior approval by EPA. All costs incurred before EPA makes the award are at the applicant's risk.

**NEW** Q37: If a coalition application falls through for any reason, what will be the process of reallocating funds? **ADDED January 25, 2024**.

A37: If an applicant, including the lead applicant for a failed coalition, withdraws prior to award, the EPA selection official will determine the next application to fund consistent with the process and factors explained in Section V.B and C of the NOFO. If a coalition member withdraws from the project after award, as with any EPA grant with a grant recipient subawarding to subrecipients, the grant recipient (in this case, the lead applicant for the coalition) is accountable to EPA and accepts responsibility for carrying out the full scope of work and proper financial management of the grant. In the event that a coalition member withdraws, the grant recipient continues to be subject to EPA's terms and conditions for the grant, the subaward policy, and EPA grants policy. In circumstances where EPA deems that the withdrawal of a coalition member fundamentally alters the project or jeopardizes the project's success, the EPA will consider appropriate remedies and reserves the right to terminate an awarded grant (see 2 CFR 200.339 through 343).. EPA will determine at the time whether and how the remaining funds will be reallocated.

**NEW** Q38: Will EPA accept a range of a low estimate and high estimate for the GHG reduction analysis in the application (i.e., a range of low-high emissions reductions for 2025-2030 and another range for 2025-2050 for each measure)? ADDED January 25, 2024.

A38: Applicants should present a singular estimate of the magnitude of GHG reductions achieved between 2025-2030 and the magnitude of GHG reductions achieved between 2025-2050. If an applicant submits a range of low to high emission reductions, EPA will calculate the mid-point of the range for use during review of the application. As there may be uncertainties associated with the estimated GHG emission estimates, the NOFO asks applicants to describe such uncertainties in their Technical Appendix. In doing so, applicants may present both a range and a singular estimate of the magnitude of GHG reductions for additional context. If the singular estimate is not the mid-point of the range, applicants should thoroughly discuss any uncertainties and factors that support the selection of a singular estimate below or above the mid-point of the range.

NEW Q39: Looking at the LIDAC guidelines on page 11-12 of the NOFO, both the EJScreen and the CEJST tools are very narrow in their definition of LIDAC communities due to the use of heterogeneous census blocks that do not reach the community scale. In our case, severely disadvantaged, historically burdened, and minority communities fall outside the geographic boundaries established by both tools. How can this be best addressed in our application given EPA will not accept state-specific definitions? ADDED January 25, 2024.

A39: Applicants should use the definition of low-income and disadvantaged communities as provided in Section I.B of the NOFO. Only communities qualifying as low-income and disadvantaged communities according to EPA's IRA definition and the benefits associated with those communities will be considered under this evaluation criterion (page 35 of the NOFO). EPA recognizes that some programs may have benefits outside of the geographic-based definition, but EPA will not consider these benefits when evaluating Criteria 4a and 4b (community benefits and community engagement).

NEW Q40: If multiple states decided to go in on an application together, how would the quantification of GHG reductions need to be done for the application? Would each state do their own calculation (which may include modeling) and just combine the results? If that's the case, does each state have to use the same approach, tool or modeling program for that? OR, would the lead applicant do quantification for the entire coalition? ADDED January 25, 2024.

A40: Coalition members are not prohibited from doing their own approach to calculating GHG reductions or from using different approaches to estimate the magnitude of GHG reductions.

The coalition application should include the magnitude of GHG emissions reductions for implementing the measure across the entire coalition. EPA will not provide a preferred approach for calculating the magnitude of GHG emission reductions. The coalition application will be evaluated on the quality, thoroughness, reasonableness, and comprehensiveness of the methodologies used in developing the GHG reductions.